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JOB TRAINING PARTNERSHIP ACT AND FARMERS

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HEARING

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON

GOVERNMENT OPERATIONS

HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

FIRST SESSION

NOVEMBER 15, 1985

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JOB TRAINING PARTNERSHIP ACT AND FARMERS

FRIDAY, NOVEMBER 15, 1985

House of Representatives,
Employment and Housing Subcommittee
of the Committee on Government Operations,
Council Bluffs, IA.

The subcommittee met, pursuant to notice, at 9:30 a.m., at Iowa Western Community College, Council Bluffs, IA, Hon. Barney Frank (chairman of the subcommittee) presiding.

Present: Representatives Barney Frank, Howard C. Nielson, and Jim Lightfoot.

Also present: Stuart E. Weisberg, staff director and counsel; and Ken Salaets, minority professional staff, Committee on Government Operations.

OPENING STATEMENT OF CHAIRMAN FRANK

Mr. Frank. Good morning.

This is a hearing of the Subcommittee on Employment and Housing of the Government Operations Committee of the U.S. House of Representatives.

The House of Representatives divides jurisdiction among subjects essentially three ways. This committee, the Government Operations Committee of which we are a subcommittee, has what is known in Washington as oversight jurisdiction; that is, we do not have in this subcommittee the mandate to actually draft and report to the House legislation on this subject. We have a mandate, however, to supervise the operation of programs which have been enacted and funded by Congress.

This subcommittee has as its jurisdiction essentially the Departments of Labor and Housing and Urban Development and related agencies.

The purpose of this hearing, therefore, is to examine the Job Training Partnership Act. We have had a series of hearings on this act which is one of the major operational programs of the Department of Labor. Our particular focus today is the extent to which that act is—or as we believe has been the case until very recently—is not serving the agricultural sector of our economy.

The purpose of the Job Training Partnership Act is to assist people in making transitions in an economy such as ours where there will always be areas that are growing, and obviously all of us hope that growth will be the predominant pattern. But there are also inevitably transitions. There are areas that grow, there are areas that may stagnate, there are areas that shrink.

The Job Training Partnership Act as enacted by Congress recognizes that and recognizes an obligation on the part of the Federal Government to help those who have lost jobs through no fault of their own through the course of changing patterns of employment in the country.

It has unfortunately been seen almost exclusively until recently as affecting the nonagricultural sectors of the economy. It is very clear to anyone who is familiar with the agricultural situation that sadly there are changes going on in the agricultural area that are adversely affecting some very hard-working decent people who again find themselves, through no fault of their own perhaps, unable to continue in their chosen occupation.

The purpose of this hearing is to look at what the Job Training Partnership Act has been doing in this area and if, as most of us are inclined to believe, the answer is that it has not been doing enough, to look at what could be done to improve it administratively or through the actual drafting of legislation, if such would be needed.

While funding would not be within the jurisdiction of this subcommittee, on the other hand it has been our experience that when this subcommittee or others develop well thought-out, bipartisanly supported recommendations, we can sometimes succeed in changing the direction of the administration and it may well be that it is not necessarily legislative changes that are needed, although some may be needed, but a difference in emphasis administratively to be able to improve things. That will be what we will be doing pretty much.

We have not chosen this area wholly randomly. Mr. Lightfoot has been a very active member of the subcommittee and a constructive member of the subcommittee and is the one who brought the attention of this subcommittee to the problems that exist with regards to the Job Training Partnership Act in agriculture. So we are here at the suggestion of Mr. Lightfoot.

We thank him for helping us focus on this and he will be within a few minutes making his own statement.

I will now call on the ranking minority member, the senior Republican of the subcommittee who is also very much concerned through his own district with the plight of the agricultural sector of our economy, the gentleman from Utah, Mr. Nielson.

Mr. NIELSON. Thank you, Mr. Chairman.

I am very happy to be here. I have had a warm spot in my heart for Iowa since 1969 when our car burned up and the people of Grinnel, IA, and the fire department was very kind to us. It was at night, the Saturday night before Labor Day. Everything was closed. All we had left was a few things, so we went to the motel with a couple of bags of groceries and things for the baby who was young, about 6 months old at that time, and we were a motley-looking crew at that time. The Iowa people were very understanding and we appreciate that very much.

I am happy to be here in Congressman Lightfoot's district to hold this hearing. I have a rural background myself. I was raised on a farm. I have about a 48,000-square-mile district. It is large, about like Jim's is, and has a lot of livestock, sheep, turkeys, and, of course, some grain products, not like Iowa, but quite a few, diversified agricultural products.

It is very important that the JTPA as successor to the old CETA organization work as a partnership, as implied in its title the Job Training Partnership Act. It has, Congressman Frank has said, been useful primarily for industrial areas to retrain people from the so-called smokestack industries such as steel and automobiles, those which have cut back on employment.

I think it is appropriate to look at it in terms of agriculture because many people are leaving the farms, not able to stay in agriculture because of declining prices and other factors over which they have no control.

I want to thank Jim, Congressman Lightfoot, for suggesting the hearing and hosting it here and I appreciate his staff picking me up at the airport and all the kind things they have done for us.

Thank you.

[The opening statement of Mr. Nielson follows:]

STATEMENT OF THE
HONORABLE HOWARD C. NIELSON

EMPLOYMENT AND HOUSING SUBCOMMITTEE
COMMITTEE ON GOVERNMENT OPERATIONS
COUNCIL BLUFFS, IOWA

MR. CHAIRMAN, I AM PLEASED THAT WE WERE ABLE TO TRAVEL HERE TO THE HOME DISTRICT AND GREAT STATE OF OUR DISTINGUISHED COLLEAGUE, JIM LIGHTFOOT, TO HOLD THIS HEARING TO EXAMINE SOME OF THE PROBLEMS THE STATES HAVE ENCOUNTERED IN ADMINISTERING THE JOB TRAINING PARTNERSHIP ACT TO MEET THE NEEDS OF FARMERS. THE COLD WEATHER REMINDS ME OF MY OWN STATE OF UTAH, AND WHEN YOU ADD THAT TO THE FINE HOSPITALITY PROVIDED BY THE PEOPLE OF COUNCIL BLUFFS, I CAN'T HELP BUT FEEL RIGHT AT HOME.

I ALSO FEEL RIGHT AT HOME WITH THIS ISSUE, FOR AS YOU KNOW, MY DISTRICT IS PREDOMINANTLY RURAL. I AM FAMILIAR WITH THE PROBLEMS THAT FACE IOWA FARMERS, BECAUSE THESE ARE SOME OF THE SAME PROBLEMS THAT CONFRONT MANY OF MY OWN CONSTITUENTS. IN ADDITION, HAVING BEEN RAISED ON A FARM MYSELF, I AM PERSONALLY AQUAINTED WITH THE HARDSHIPS AND HAZARDS THAT COME WITH MAKING A LIVING OFF THE LAND.

THOUGH WE ARE ACTUALLY THE GUESTS THIS TIME AROUND, I WOULD LIKE TO WELCOME OUR WITNESSES THIS MORNING, AND SAY THAT I AM LOOKING FORWARD TO A FRANK AND INFORMATIVE DISCUSSION ON THIS SUBJECT.

Mr. **Frank**. The Chair recognizes the gentleman from Iowa.

Mr. **Lightfoot**. Thank you, Mr. Chairman.

I would like to ask that the record be kept open so that any additional statements to be submitted might also be entered into the record.

We have a statement from Congressman Bedell and Senator Harkin, and one from Des Moines Area Community College and also a statement from Senator Grassley. We would like to have those statements in the record.

Mr. **Frank**. We will put the ones from Des Moines Area Community College and Senator Grassley in the record.

Mr. Bedell and Senator Harkin have representatives who will present their statements.

If there is no objection to that procedure, we will put those in the record.

[The statements follow:]

GOVERNMENT OPERATIONS COMMITTEE

Sub-Committee on Employment & Housing

Chairperson - The Honorable Barney Frank, Massachusetts
Member - The Honorable Howard Nielsen, Utah
Member - The Honorable Jim Ross Lightfoot, Iowa

Presented at
Iowa Western Community College
Council Bluffs, Iowa
November 15, 1985

Prepared by Des Moines Area Community College

Ann Schodde, Vice President, Development
Daryl VanderWilt, Director, Grants & Contracts
Don Kerr, Economic Development Group

Des Moines Area Community College is a state-supported community college serving 11 counties in central and western Iowa. The College district contains approximately 20 percent of the state's population and serves metropolitan, urban, and rural areas. To ensure service and opportunity, the College has developed facilities in urban Ankeny, a community of 16,000; Des Moines, a city of 250,000; Boone, a rural community of 13,000; and Carroll--a rural community of 10,000 residents some 90 miles from Des Moines Area Community College's Ankeny administrative center.

Des Moines Area Community College has completed an assessment of need for rural assistance in Iowa and has developed the following prognosis regarding Iowa's farm crisis.

1. Iowa will lose 12,400 farms.
2. Iowa will have 24,800 dislocated farmers and farm families seeking new jobs.
3. The loss of these farms and farm families will result in a loss of 992 rural businesses.
4. This will result in a loss of 24,800 rural "town" jobs.
5. This will create a rural unemployment loss of 49,000 people in need of jobs, retraining, or relocation.
6. The cost of one year of retraining and relocating those individuals will be in excess of $1.25 million.

These statistics are chilling. All available resources are desperately needed to address this sudden and severe economic downturn; to help people adjust to emerging economic realities.

However, current regulations and guidelines established for the JTPA program do not allow most of our rural population access to JTPA programs and services. Regulations greatly limit farmer participation due to the establishment of unrealistic income guidelines. These guidelines ignore the fact that current income checks are made payable both to a bank or another lending agency and to the farmer. Thus, income from a sale of goods goes to pay off existing notes, mortgages, etc., and, therefore, does not actually provide a net income to the farmer or the farm population. Current regulations would have a farmer declare bankruptcy before becoming eligible for JTPA programs and services. This unfair situation must be changed. The Region XII Council of Government's JTPA Director in Carroll, Iowa, also concurs with this assessment.

Des Moines Area Community College's research indicates that the three most troubled counties in Area XI are Audubon, Guthrie, and Carroll, along with adjacent Greene County.

Thus, our new program entitled FARM/CAP (Career Assessment Program) represents a new initiative for helping area farmers, agricultural-related workers, and spouses.

Various Des Moines Area Community College staff members have established an ongoing relationship with an area farm support group, the Greenbrier Area Farm Support Group, centered north of Bagley, Iowa, in Guthrie County. Staff members have participated in Sunday evening meetings, listened carefully, and have offered to assist in ways the group would consider helpful. In this spirit, the staff has worked with Pastor Art Hill, Greenbrier United Methodist Church, in developing a response sheet to further determine group members' needs. A separate document entitled "Career Assessments Programs" will be made available to the committee as part of the record.

The Program is designed to assist participants in clarifying and then acting on life/career options as developed through outreach activities, personal and farm financial assessments, farmer-lender mediation, Life/Career workshops, and job referral and placement services.

Career and Financial Assessment

Outreach activity will be initiated by a FARM/CAP staff member through a response sheet administered during the first meeting of a support group. Individuals will have an opportunity to indicate whether or not they are clear about their career goals and whether they need a farm financial assessment.

The FARM/CAP staff member will distribute a form to those desiring a farm financial assessment with explanation regarding its completion. A date to visit the family on their farm site will be established.

A Program Farm Financial Advisor will visit the farm family and, through a sensitive, non-directive approach, involve family members in an analysis of financial data. A computer printout will be generated and given the family that details key financial problem areas. Program participants will always have ultimate responsibility for final decision making.

The main purpose of the analysis is to help the farmer answer the question, "Is farming an option?" If it is, new approaches to financial planning and management will surely result in better operation. Too, farmer-lender mediation services will be made available. If farming is deemed not an option, the FARM/CAP Career Development Workshop will be recommended as a starting place.

The heart of FARM/CAP will be one-week (half-day) life/career planning workshops. Workshop sessions will be organized to help participants assess their individual strengths, interests, values, transferrable work skills, and career/job options. Currently, nine FARM/CAP workshops are being established throughout Area XI from December 1985 - April 1986. These workshops will be interspersed with one-week (four day) Job Search Assistance sessions geared toward developing interviewing skills and resumes. This activity will be sponsored in cooperation with Job Service of Iowa.

A primary concern is that program goals be met, in part, through utilizing available community/area resources, such as those offered by Job Service of Iowa and ISU Extension Offices, and by avoiding a duplication of services. This cooperation, we think, conserves valuable time and financial resources. Furthermore, FARM/CAP has been designed to be "transported" to other area settings and personnel. We think collaboration with various area agencies and groups is important when designing a wide array of options for program participants.

Greenbrier area farm leaders have pulled twenty-five farm neighbors together in a warm support group. Every Sunday evening at 7:30 p.m. they meet at a centralized location in a farmer's large machine shed. They come from rural Scranton, Rippey, Bagley, Jefferson, Guthrie Center, and Jamaica.

Group members labor under news that this particular time is similar to that of 1929; just a short time before the big fall. They are hanging on, wishing to stay on the farm, but not knowing if they should sell out now before they "lose it all". Some already have. This terrible uncertainty is their secret nemesis. Yet their meetings are positive and beneficial as issues are discussed with options generated for consideration. However, questions always remain as does personal decision-making.

There is need for more community farm support groups. Group leadership members have good communication skills but they need assistance in referral techniques, peer counseling helping skills, group processes, information regarding how to keep their group focused on constructive issues, and how to spot serious human problems. The FARM/CAP Program will host two major conferences dealing with support group leadership.

Both individuals and groups need immediate assistance. At this time, however, JTPA Title IIA funding is essentially nonexistent for farmers. And this is tragic.

To help farmers, Des Moines Area Community College highly recommends that sub-committee and full committee members review and rewrite JTPA Title IIA eligibility guidelines for greater flexibility to assist that portion of our work force that has contributed so greatly to the development of our great nation, the American farmer, agricultural related worker and spouse.

Thank you.

STATEMENT BY SENATOR CHARLES E. GRASSLEY ON JUNE 15, 1985 TO THE SUBCOMMITTEE ON EMPLOYMENT AND HOUSING OF THE HOUSE COMMITTEE ON GOVERNMENT OPERATIONS, ON THE ROLE OF JOB TRAINING PARTNERSHIP ACT IN SERVING FARMERS AND AGRICULTURAL COMMUNITIES.

Congressman Lightfoot, Mr. Chairman, Congressman Nielson, I would like to begin my statement by commending you for holding this hearing to examine the role of the Job Training Partnership Act in serving farmers and agricultural communities.

Speaking as a farmer, as well as a farm state Senator, I firmly believe that our first priority should be to keep farmers in business. There is more at stake in farming than just "making a living"; farming is a way of life. However, we must also face up to the sad fact that for some farming is no longer a viable option. Where that is the case, we need to examine those programs at the federal and state levels that can offer assistance to farmers in making the difficult transition to a new way of life. The Job Training Partnership Act, which provides job training, placement assistance, and other services to help persons who have been displaced by economic change or who need asssistance in developing marketable skills, is an important part of our efforts to assist persons who have been adversely affected by the crisis in the farm economy.

Iowa was the first state to allow farmers to participate in the Job Training Partnership Act under Title III, which serves displaced workers. This action was taken by Governor Branstad in July of 1984, nine months before the Department of Labor officially declared that farmers could be eligible under Title III. Governor Branstad and the Iowa Office of Planning and Programming should be commended for taking the initiative to begin using the displaced worker program to serve farmers who have lost their farms due to economic conditions. In the current program year, I believe that somewhere in the neighborhood of 250 farmers have been assisted by the Job Training Partnership Act in Iowa. In addition to assistance under the regular program, the Iowa Office of Planning and Programming has recently received a $500,000 grant to develop a program tailored specifically for farmers. The Office of Planning and Programming hopes to serve an additional 380 to 400 farmers in that program.

Iowa and some surrounding states -- Minnesota, Nebraska, and Kansas -- have been very active in trying to make the Job Training Partnership Act work for farmers. I think their efforts have been laudable, but there have been problems along the way.

One early problem was that it was unclear whether farmers were even eligible under the displaced worker program. Although the

Department of Labor has cleared up that question, states are only just beginning to gain experience in serving farmers in the displaced worker program.

Outreach is one ongoing problem that has been indentified by states that have experience in working with displaced farmers. In addition to the newness of Job Training Partnership Act services for displaced or financially troubled farmers, they may be reluctant to admit they are having problems and ask for assistance. States such as Iowa, with experience in serving farmers, have discovered that an aggressive outreach program is needed.

Eligibility rules present another problem for displaced farmers. In order to be eligible, a farmer must, for all intents and purposes, be off the farm before he can receive assistance under Title III. Because he has been self employed, he is not eligible for unemployment insurance income while he is in training. He is thus faced with the problem of providing for himself and his family while he is training for a new job.

A third problem is that some services, such as farm management and certain types of counseling, have not been available through the Job Training Partnership Act. Another problem, which was touched on by Congressman Lightfoot in his opening statement, is the need to improve coordination at all levels.

Iowa and other midwestern states have been trying to solve these problems by tailoring programs to meet the needs of farmers though the use of discretionary money administered by the Secretary of Labor. The Iowa program, for example, will include a farm counselor and offer a full array of training and counseling services, coordinated through existing dislocated worker training programs.

I think that one helpful approach to improving the Job Training Partnership Act in its service to farmers and rural communities will be to regard programs currently being set up in Iowa, Minnesota, and Nebraska using discretionary money from the Secretary of Labor as pilot programs. These programs will provide valuable experience and provide guidance for policy-makers in improving the Job Training Partnership Act.

I am also looking forward to examining the testimony of today's witnesses for guidance.

That concludes my prepared remarks.

Mr. **Frank**. Since there appears to be no objection, we will keep the record open for a few days to receive other testimony. If anyone here hears something today that you think requires amplification and you want to get additional material in, you can submit it to us, and it will become part of the record. That will give you a chance to react and help us restrain the people who say, "By the way, can I say something?"

So we will take any additional comments you have. You will have at least a week to get those to us.

Mr. **Lightfoot**. Thank you, Mr. Chairman.

I would like to welcome you and Congressman Nielson to Iowa. I am glad you agreed to come to Iowa to discuss the role of the JTPA as it affects this area and dislocated farmers. I hope we will have a thorough and frank discussion with the panelists on ways we can better accommodate farmers under the Job Training Partnership Act.

As most of you know, farm States are facing tough times, and the challenges to preserve the family farm are great. It is alarming to see what is happening to our farming communities, to watch our small towns and cities dry up, and to see our family farms under stress. I think we must do whatever we can to preserve these family farms and to ensure that farmers once again can make a profit in agriculture.

We must provide them with assistance so that they can weather the economic storm. Unfortunately, some farmers have had no choice but to leave farming. For them, we must establish a smooth transition from the farm to another career. And, of course, that is why we are here today.

For many of these farmers, this is the only thing they have ever done. They have worked the land for years and while enjoying some good years in agriculture, they have also lived through some bad years. But they kept on going. Now, some of them have had to stop. After farming for 10, 15, maybe even 20 years, they have had to think about entering into a new occupation.

Many people aren't aware that the skills farmers possess can be transferred into another career. Farmers are managers, economists, accountants, and marketers. These are skills which they need to draw upon everyday to keep their farm operation in business. They review the political climate, watch the commodity markets, know when to buy and sell, analyze all these factors and make decisions.

As a matter of routine, farmers are their own engineer, mechanic, and agronomist—services which people in the nonfarm sector pay dearly for on a regular basis. It is clear, farmers are self-sufficient, hard-working people, and have a great deal to offer to the work force. It should be our goal to ensure that farmers are given the opportunity to apply these skills off the farm.

The Job Training Partnership Act, the major Federal job retraining program, has been good for dislocated factory or heavy industry workers, but has not been as effectively applied for farmers in the same situation. Admittedly, hundreds of farmers have been helped through this program, but the rules have been stretched to accommodate them.

Presently, State and local agencies are doing a tremendous job at serving the farm communities. However, greater assistance is necessary if we are to meet the growing need for these types of services. Local agencies are frustrated because the financial resources to help the farmers are limited; the guidelines are too sketchy or too restrictive; and the types of services or training which the farmer or his family requires are unavailable or they are not available.

When Congress developed the Job Training Partnership Act in 1982, it was geared to retrain factory workers, not farmers. In 1985, we need it to retrain the dislocated farmer. Although JTPA, especially title III, the dislocated worker program, allows for a great deal of State discretion in adopting a program to fit the characteristics of the State, the Federal Government should be more attuned to the particular problems of the farmers and the farming communities.

For instance, greater technical guidance by the Department of Labor is necessary if we are to help dislocated farmers. Rather than policing the States on how they are administering the JTPA Program, the Department of Labor should use its expertise and its resources to help farm States cope with the problems of retraining farmers. The Department of Labor needs to share its knowledge with the States.

Second, more title III discretionary money should be targeted directly to agriculture communities. The current allocation formula unfairly distributes funding to farm States because of the formula's inability to measure farm unemployment. Therefore, in order to compensate for this and to cover the higher costs associated with serving farmers, more of the Secretary of Labor's discretionary money under the title III program needs to be distributed to rural areas.

Third, a coordinated, nonduplicative approach of serving farmers and their families has to be developed at the local and State levels. Skill assessment, job training, family counseling, and stress management are all services which farm families undergoing a change require. State agriculture and labor agencies, and community agencies have to work together to provide the necessary services to farm families. In addition, farm States need to continue to build a network among the States to share information on how each State is serving rural communities.

We have a lot of issues to discuss today, and I am looking forward to hearing the panelists' testimony. I also have many questions which I would like to ask. Although there are many positive things occurring in the communities to assist farmers and their families, I hope that today's hearing will indicate how we can better help more farmers through the Job Training Partnership Act.

Mr. Chairman, I want to thank you for bringing this hearing to Iowa. As diverse as the locations the three of us represent are, and it may also be true of our political philosophies, there is a common thread between the three of us which is that we care about people. You certainly have taken the lead in that area by bringing us here today. We appreciate that.

[The opening statement of Mr. Lightfoot follows:]

HOUSE GOVERNMENT OPERATIONS COMMITTEE'S SUBCOMMITTEE ON EMPLOYMENT AND HOUSING

FIELD HEARING IN COUNCIL BLUFFS, IOWA

OPENING REMARKS OF REPRESENTATIVE JIM LIGHTFOOT
NOVEMBER 15, 1985

Mr. Chairman, Congressman Nielson, I welcome you to Council Bluffs, Iowa, and I am glad you agreed to come to my district to discuss the role of the Job Training Partnership Act in serving dislocated farmers. I hope we will have a thorough and frank discussion with the panelists on ways we can better accommodate farmers under the Job Training Partnership Act.

Farm states are facing tough times, and the challenges to preserve the family farm are great. It is alarming to see what is happening to our farming communities, to watch our small towns and cities dry up, and to see our family farms under stress. We must do whatever we can to preserve these family farms and to ensure that farmers once again can make a profit in agriculture. We must provide them with assistance so that they can weather the economic storm. Unfortunately, some farmers have had no choice but to leave farming. For them, we must establish a smooth transition from the farm to another career. That's why we are here today.

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Presently, state and local agencies are doing a tremendous job at serving the farm communities. However, greater assistance is necessary if we are to meet the growing need for these types of services. Local agencies are frustrated because the financial resources to help the farmers are limited; the guidelines are too sketchy or too restrictive; and the types of services or training which the farmer or his family requires are unavailable or not allowed.

When Congress developed the Job Training Partnership Act in 1982, it was geared to retrain factory workers, not farmers. In 1985, we need it to retrain dislocated farmers. Although JTPA, especially Title III, the Dislocated Worker Program, allows for a great deal of state discretion in adopting a program to fit the characteristics of the state, the federal government should be more attuned to the particular problems of the farmers and the farming community.

For instance, greater technical guidance by the Department of Labor is necessary if we are to help dislocated farmers. Rather than policing the states on how they are administering the JTPA program, the Department of Labor should use its expertise and its resources to help farm states cope with the problems of retraining farmers. The Department of Labor needs to share its knowledge with the states.

Second, more Title III discretionary money should be targeted directly to agriculture communities. The current allocation formula unfairly distributes funding to farm states because of the formula's inability to measure farm unemployment. Therefore, in order to compensate for this and to cover the higher costs associated with serving farmers, more of the Secretary of Labor's discretionary money under the Title III program needs to be distributed to rural areas.

Third, a coordinated, non-duplicative approach of serving farmers and their families has to be developed at the local and state levels. Skill assessment, job training, family counseling, and stress management are all services which farm families undergoing a change require. State agriculture and labor agencies, and community agencies have to work together to provide the necessary services to farm families. In addition, farm states need to continue to build a network among the states to share information on how each state is serving rural communities.

We have a lot of issues to discuss today, and I am looking forward to hearing the panelists' testimony. I also have many questions which I would like to ask. Although there are many positive things occurring in the communities to assist farmers and their families, I hope that today's hearing will indicate how we can better help more farmers through the Job Training Partnership Act.

Once again, thank you for coming today.

Mr. **Frank**. Thank you, and I appreciate that.

We will call our first panel of witnesses, representatives of two of our colleagues in Congress from Iowa, two who have particularly labored hard to educate me about agriculture. If they have failed it is not their fault, but they have worked very hard.

We have Bonnie Simons representing our former colleague, now in the Senate, Senator Harkin; and Clayton Hodgson, representing Mr. Bedell, who was responsible last year for my first extensive education about Iowa farming because Mr. Bedell was my host for about a 2½-day visit to farms in Iowa and he was the first to begin to focus for me on this and this is a natural evolution for me.

So I ask Ms. Simons and Mr. Hodgson to come forward and make statements on behalf of our colleagues who are both very, very strong advocates of justice to the farmer.

Ms. Simons.

STATEMENT OF HON. TOM HARKIN, A SENATOR IN CONGRESS FROM THE STATE OF IOWA, AS PRESENTED BY BONNIE SIMONS

Ms. **Simons**. I would like to thank Congressman Barney Frank, chairman of the Subcommittee on Employment and Housing of the Government Operations Committee and Congressman Lightfoot of the Fifth District for scheduling this hearing.

Senator Harkin wishes he could be here and feels the topic is extremely important especially in light of Iowa's economic state.

At this time, I would like to ask that a statement by Senator Harkin be placed in the record and also that I might briefly go through the main points of the Senator's remarks.

Mr. **Frank**. Without objection, the Senator's statement will be incorporated in full and you may proceed.

Ms. **Simons**. The points I wish to make are as follows: The Job Training Partnership Act is a good program which was not originally set up to deal with farmers. Therefore, farmers trying to participate are facing difficulties which must be corrected. These include, No. 1, the problems farmers face with eligibility requirements. As title III of JTPA now reads, a farmer must be foreclosed or have received a notice before they can participate.

Senator Harkin feels that reforms are needed in the eligibility requirements which would allow farmers and their families to participate in retraining programs before they are completely devastated.

In his testimony, Senator Harkin outlines three suggestions for reform.

One, the first thing we must do is base the farmer's eligibility on negative cash-flow, rather than notice of foreclosure.

Two, that a local lender can recommend to JTPA officials a farmer's need to begin looking elsewhere for financial stability.

Three, if the farmer's loans are conditional and do not allow for living expenses, the farmer be deemed eligible.

Point two is the need for long-term retraining efforts which teach the dislocated workers and farmers skills, not simply the ability to write a résumé.

Three, the need to do away with disincentives. Farmers should be encouraged to participate without the fear of losing other benefits.

Four, the need for a continued coordinated effort between States, the Federal Government, and participants to continue the commitment to the program.

Thank you.

[The prepared statement of Mr. Harkin follows:]

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STATEMENT OF SENATOR TOM HARKIN November 14, 1985

Mr. Chairman:

I am pleased that the Employment and Housing Subcommittee of the House Government Operations Committee is holding this hearing today, in Iowa, to focus on a very important issue, the Job Training Partnership Act and farmers. This is a very timely issue; with family farmers losing their farms daily, we must provide a safety-net.

Many people wonder what farmers can do once they have lost their farms. Let me tell you that farmers are some of the most versatile, skilled workers of our nation. Farmers are mechanics, construction workers, bricklayers and carpenters all-in-one.

But, farmers still need an organized mechanism to allow them to re-learn these skills and the ability to translate them in the world off the farm.

BACKGROUND

Throughout their history, federal job-creating programs have had the often conflicting goals of making permanent improvements in the economic backbone of the country, while immediately helping people who need jobs.

A well-known job-creation program was the Works Progress Administration (WPA), which was set up in 1935. My father was a participant in this program during the Depression. Participants worked on 600,000 miles of highways, 125,000 public buildings and 8,000 parks. All told, eight million workers received help. WPA not only provided the income these people desperately needed, but it allowed them to maintain their self-respect and dignity. I remember my father taking the kids out on Sundays to show us the work he had been doing, the buildings he had built.

Nevertheless, the WPA program had its problems. WPA accomplished only half of the goals I spoke of earlier. Although WPA provided for immediate jobs, it did not make permanent improvements in the economic backbone of the country.

THE JOB TRAINING PARTNERSHIP ACT

After a half century of job creation programs, public works programs, and employment and training programs, in 1982 Congress enacted the Job Training Partnership Act. The Act created a major new job training system for economically disadvantaged and dislocated workers, operated by States and local governments in conjunction with private business. This law also authorized training programs for specific target groups such as Native Americans, veterans, and migrants and seasonal farmworkers.

Now, the needs of another group must be addressed -- our family farmers. The original JTPA was not geared toward retraining farmers. They now face several obstacles to participation in job training programs.

FARMERS AND JTPA

It is difficult for farmers to become eligible for the program until after they have been foreclosed on. As you know, farmers fall under Title III of JTPA -- employment and training assistance for dislocated workers. Title III provides training to persons who are out of work because of "any permanent closure of a plant or facility". In other words, farmers cannot participate in JTPA with the hope of saving their farms because by the time they are eligible, they have lost their farms.

The eligibility requirements must be changed:

1. The first thing we must do is base the farmer's eligibility on negative cash flow, rather than notice of foreclosure. In this way, we could catch those farmers before they have nothing.

2. When a local lender recommends that the farmer needs to begin looking other places for financial support because that lender can no longer do business with the farmer, this should be considered when determining eligibility.

3. If a situation exists where the farmer is receiving conditional loans with no funding available for living expenses, this too should be examined when determining eligibility.

These three suggestions do not represent the only ways to deal with this problem, but merely point out possibilities. However, I do believe the need to address the eligibility requirements is crucial.

Even before eligibility is a concern, farmers must know about the program opportunities and feel compelled to participate. As we all know, Iowans are proud people who do not like to ask for assistance. However, the re-training programs are set up to be used by farmers. Farmers should know these resources exist and feel comfortable using them.

After a farmer does find out about the program, decides to participate and is found to be eligible, the program must give the dislocated worker something valuable. The Labor Department believes that dislocated workers in Title III programs are generally more interested in job search assistance than in lengthy retraining programs. However, I believe farmers and other dislocated workers want to have the option to learn a skill, not simply taught to write a resume, only to run around looking for jobs that they are not qualified for. I believe we must offer more. Congress intended the Job Training Partnership

Act to train youths and unemployed and dislocated workers skills so they can re-join the workforce.

In fact, this year the states did not spend all the money they were given under Title III of JTPA. The main reason for this is that they provided less expensive services. For the 1985 program year, Congress appropriated $222.5 million. The Senate Appropriations Committee, of which I am a member, suggested a funding level of $100 million for Title III. However, both House and Senate Appropriations Committee reports state that they expect carry over balances in the program to maintain activities at their current operation level. Until December 13, the program is funded by a continuing resolution.

As a member of the Appropriations Committee, I wrote a letter to the Chairman of the Labor, HHS Subcommittee, Senator Weicker, and the Ranking Democrat, Senator Proxmire, asking that funding levels for JTPA remain at least at current services levels. In addition, I asked for report language which directs the Secretary of Labor -- when allocating discretionary funds -- to give special attention to programs that would retrain workers in rural areas and give farmers, their spouses, and other agriculture-related workers skills which would allow them to reenter the labor force.

Title III of JTPA has the resources, but they need to be used more efficiently. One of the first changes needed is to allow dislocated workers, especially farmers, to participate in re-training programs before they have lost everything. Then, the program must be re-tailored to provide for long-term improvements in the economic infra-structure of Iowa. We must use the Job Training Partnership Act to re-train our farmers, to teach them skills which would allow them a chance to work for an extended period of time, at a meaningful job. That is what Congress intended, the best long-term approach for farmers and for the economic stability of Iowa.

Finally, we must not penalize farmers, or others, for participating in job training programs. As it stands now, farmers must choose whether to feed their families, or lose their food stamps by participating in the Job Training Partnership Act.

CONCLUSION

In conclusion, I believe there are three immediate needs for farmers and re-training. First, we must reform eligibility requirements so our farmers do not have to face complete devastation before they -- or their families -- are able to find alternative means of support. Second, we must give them real re-training possibilities. This needs to be two-tiered, we must provide quick, short-term training to develop the worker, the community and Iowa. Finally, we must support the need for re-training programs. Together, Congress, the states and the dislocated workers must work to rebuild our nation, particularly the rural areas which have been devastated by our agriculture economy.

Mr. **Frank**. Mr. Hodgson.

STATEMENT OF HON. BERKLEY BEDELL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IOWA, AS PRESENTED BY CLAYTON HODGSON

Mr. **Hodgson**. I am Clayton Hodgson. The statement I read is Mr. Bedell's statement:

Mr. Chairman, I want to thank you for allowing me to have my statement read. I am sorry that a prior commitment prevents me from attending, and I want you to know I appreciate this opportunity to present some of my concerns in regard to the dislocated farmer. I commend you for this examination of how the Job Training Partnership Act can better serve the needs of our dislocated farmers.

Here in the Midwest, we are coming to view the seriousness of the agriculture economy as a normal way of life—we face it each and every day. It will get worse, not better. This past year the JTPA Title III dislocated worker programs were a godsend to our dislocated farmer seeking a new way of life. Unfortunately, this job is just beginning. With this coming winter, we are going to be overrun with farmers who are awaiting the completion of their last harvest. We have to be ready to assist them.

I have checked with some of the Service Delivery Areas in the Sixth Congressional District and I find them anticipating the needs and willing to tackle this challenge. However, past experience points out several weak areas.

Funding is a major problem, of course. Appropriations for JTPA Title III programs passed the House of Representatives on October 2nd with a $121 million reduction for fiscal year 1986. It is anticipated that the 1985 level of enrollments will be maintained due to the carryover of a large amount of unspent funds from fiscal year 1985. The Department of Labor has testified that this carryover is the result of JTPA finding that the average cost of retraining a worker under this program is turning out to be lower than originally anticipated. However, we are also finding that the dislocated farmer's needs are far different from the dislocated worker from industry.

There are several reasons why our farmers need more service before they are ready to enter the job market. First, there is the severe emotional impact not only of facing unemployment, but in many cases of leaving land which has been in their family for generations. Most of our farmers have worked the land all of their lives and have no identifiable skills for other walks of life, and it takes longer to identify their additional talents and skills and retrain them. It is also a problem of attitude adjustment: from being their own boss to learning basic principles of employee-employer relationships. They have no verifiable record of employment and are finding tough competitors in experienced workers from industry. Finally, JTPA is finding that the bulk of these farmers are in the 50-to-60-year age group, the most difficult age for both retraining and rehiring.

Unlike dislocated workers from industry, when our farmers lose their land, their need is immediate. They have no severance pay. They cannot draw unemployment. They must obtain immediate employment or seek public assistance. It is quite ironic that our food producers are now relying on food stamps.

JTPA admirably met the tests of serving the needs of the dislocated farmer this past year. We can already project the number will increase. We have learned that the needs of this applicant requires greater time and special assistance.

And we come back to the harsh reality that the funds are cut. We are in a period where we must be fiscally responsible, and therefore there is little hope of additional funding. Indeed, we can only hope we do not have to sustain further cuts. Therefore, we must make each dollar count and see that the dislocated farmer gets a fair advantage. I strongly support this reexamination of JTPA Title III programs to make doubly sure that the farmer is counted.

Thank you again, Mr. Chairman, for allowing me to voice my support for your hearing, and for our farmers, here today.

Mr. **Frank**. Thank you. I appreciate both of our colleagues asking that they be represented here. It is useful to know that if legislation is needed Senator Harkin and Mr. Bedell will be able to work together.

The other point I want to underline, as Mr. Hodgson read on behalf of Mr. Bedell, is that in the JTPA there is no provision for living expenses. There is no stipend.

As you point out, industrial workers, service industry workers, are much more likely to have unemployment compensation. A farmer who has not been given a chance to get into that system, that is a problem to be looked at because you have a family to feed and basic payments to make. Training is useful, but if there is no basic income support, the training isn't necessarily going to do you much good. We do have to look at that. Questions?

Mr. Nielson. I would ask one question of the gentleman from Congressman Bedell's office. Do you believe the same principles apply to trade adjustment assistance? Should there be training readjustment assistance as well as JTPA?

Mr. Hodgson. I am not sure I understand the question fully, but I think that——

Mr. Nielson. Let me rephrase it. Typically if an industry such as a steel plant cuts back on employment, if they can show that that is trade-related, they have the Trade Readjustment Act, and workers can receive training under that program. It is a little more direct, does give a stipend, covers a shorter period of time, and they are paid throughout that 18-month period a subsistence allowance along with it. It is intended primarily for industries adversely affected by imports. But agriculture can also be affected by trade.

So I wonder if you feel we should try to address that issue as well.

Mr. Hodgson. I really can't address that question. I just don't know.

Mr. Frank. The gentleman makes a good point. If you would yield to me for a second.

Mr. Nielson. Yes.

Mr. Frank. Trade adjustment is triggered, of course, if you lose your job because imports increase to the United States. In agriculture, the problem is often that exports are undercut by the same unfair competition and if that is the case we should treat a subsidy that leads to decreased American exports the same as a subsidy that leads to increased imports. That is a point we ought to be looking into.

Mr. Nielson. We just had that extended another 45 days, I think. I think it will be extended. It needs to be phased out for budgetary reasons over a period of time but it has been very helpful to the smokestack industries. Frankly, agriculture has been just as hard hit as the steel and copper industries.

But that may be one way to fill in with JTPA and I will ask the same question of the JTPA people to see if there could be a wedding of these two programs to help out on some of the problems you mentioned.

Mr. Frank. I thank you both very much for joining us and for your interest.

Our next panel consist of two former farmers and I apologize in advance if I mispronounce your names. I will pronounce them the way we do in Massachusetts: Mr. Larry Broich and Mr. William Knutson.

Have I mispronounced one name that is unrecognizable or did we miss someone for some other reason?

Mr. BROICH. You did real well.

Mr. FRANK. Is Mr. Knutson here?

Perhaps he was held up, but if he joins us later, we will hear him.

Mr. Broich.

STATEMENT OF LARRY BROICH, FORMER FARMER FROM LEON, IA

Mr. BROICH. Thank you, Mr. Chairman and gentlemen, for allowing me to express my opinion on JTPA.

I recently attended Creston College this fall, or last winter, and I went through the JTPA Program. I have went through the whole gamut of fighting bankruptcy and going into different jobs. I am still presently farming and I might consider semifarming this next year, but getting a job off the farm is the primary goal I have.

My JTPA class consisted of 11 people. They were all displaced agricultural personnel. One person discontinued the class after about 3 days and frankly they still have quite a few problems down there now. Our class started and after a week we all thought maybe this was just another program to ease somebody's conscience, but we had a psychologist come in and talk to us. They explained what the program was going to try and do for us, but it was our responsibility to make it work.

After that, the change in the class was unbelievable. The instructors, the whole thing started to gel. People found out what their personalities were, what their abilities were and how they could use these abilities someplace else. They learned how to write their own résumés, conduct job interviews, and be able to control them. The class was a plus for us right from the start.

I recently called all my classmates this last week and talked to them all, or most of them anyway. A couple were unavailable because of jobs. One family were college-educated people that were close to getting their college degree, but started farming. I talked to the boy the other night and he said, "I didn't believe I could go back to school," but he has. He is going down to Maryville now and his wife is going to Creston. He had 12 hours to complete his education. It is a family farm operation.

He had nothing but praise for the JTPA Program.

The others all have jobs, some of the jobs are not what they really want, but they have the confidence that they will find the job they want. The confidence is the whole key.

From despair we have had so many things—we were afraid to make decisions anymore. We thought, "Heck, everything we did was wrong the last few years." We found out it wasn't all our fault and still maintain it wasn't.

The importance of the program for us is giving us a chance to find out what we can do. In my case I was lucky enough that I will be able to probably live on the farm. I think there is a lot more that could be done. People found, their confidence back, like all these people I have talked to. They say, "Hey, I am going to make it." Before that, they didn't really know.

I think your guidelines are a little wrong. You people wait until we are clear down and out and it would be a lot better if we could get a transition-type deal where maybe we could run it on a debt-to-asset ratio. If you were in danger of going under in a few years or even a year, you could be qualified to go into this program.

A little bit on the farm credit. I have to throw this in. I think it should be left to go. That is the wrong thing probably for a farmer to say, if the debts are way over the top of the heads, and it is just like a skyscraper, you can only build it so high and it is going to fall. This is going to happen regardless, but have a program like JTPA in there to try to kind of cushion the blow and then have a program where the Government takes over or something that these people can go back on the farm, maybe give them seven acres of their homestead. This is the biggest concern of all the farmers is the homestead.

Then after 5 years if they can buy it back from the Government or something, fine, it will work, fellas, it will work. Fifty percent of the people who went through the JTPA Program probably would go into some other field because the heart is out of a lot of them. There is just no doubt about that. I think they would probably go to a different field of service and do well.

That is about all I have to say. I thank you very much for allowing me to come and express my opinions to you.

I do believe the JTPA Program is very, very important. I think that more people should be allowed to go into it. The guidelines mainly should be raised a little bit so if you are forced out of the farming business at least you got a place to go. So many think this is the end of the world and frankly it is not. Like some say, it is a privilege to farm. I guess it probably is that.

But I think with this type of program maybe some could commute. It is not a big deal anymore. You can get on a plane in Chicago in the morning and if you work there, or Kentucky or wherever, or New York, maybe and leave the family back on the farm, we don't need more empty farm steads out here. We have taxes to pay and schools to support. Your businesses also will go down otherwise.

I guess I could go on and on, but I am going to give back the floor to you. If there are any questions or if I can do anything for you people, I would be glad to answer.

Mr. **Frank**. Thank you.

We will hear from Mr. Knutson and then ask questions of both of you.

STATEMENT OF WILLIAM KNUTSON, FORMER FARMER FROM OMAHA, NE

Mr. **Knutson**. I am Bill Knutson and I live in Dunlap, IA. I want to thank you for the opportunity to speak.

I farmed for 23 years and gave it up. I found out about JTPA and I——

Mr. **Nielson**. We are having difficulty hearing you.

Mr. **Frank**. Let me set up that microphone a little better.

Mr. **Knutson**. Can you hear me now?

Mr. **Nielson**. Good.

Mr. **Knutson**. I owned my farm for 23 years and I would give up because of the old story. Anyway, I——

Mr. **Nielson**. Can you hear him in the back?

Mr. **Frank**. Move your paper so you can look at it and get the mike up there at the same time. That will do it.

Mr. **Knutson**. All right.

Everyone wants to hear me, I guess.

Anyway, we had to give up the farming and I didn't have very good luck at finding jobs. Some weren't hiring anymore or whatever or not enough money.

So I looked into the paper and then they agreed, JTPA agreed to help me out and I enrolled in the Universal Technical School here in Omaha, and I took up refrigeration. I am about to graduate from there and I have all kinds of opportunities now, I mean, even some with big people, Montgomery Wards. I might have to relocate, but it is there for me.

There are places here in Omaha and so that is really all I can say is what it has done for me and I hope it can be passed on to some of the others that will follow me in this particular situation.

Mr. **Frank**. Thank you very much.

[The prepared statement of Mr. Knutson follows:]

November 14, 1985

TO: Congress of the United States
House of Representatives
Employment and Housing Subcommittee of
the Committee on Government Operations

FROM: William D. Knutson

RE: The Job Training Partnership Act and Farmers

My name is William D. Knutson and I live in Dunlap, Iowa. I want to thank you very much for the opportunity to speak about JTPA and the Farmer. Up to a year and a half ago I was a farmer and had been for 23 years, basically all of my life. Farming gave me many good things, especially the means to give my children the education I never had. I have put two girls through nursing school, and a boy through the University of Nebraska, and another boy is currently attending Nebraska University. Even when times got rough starting 4 years ago I still managed to provide for my family.

I never dreamed I would loose my farm and my lifetime of hard work along with it. At 48 years of age I found myself back at square one. Job hunting yielded as much as my fields did during a drought. After 6 months of looking I realized I had nothing to offer of any value.

I had always had an interest in refrigeration, air conditioning and heating but had no formal training. At the advice of a friend I contacted Universal Technical Institute in Omaha to look at getting the proper education. The school appeared to be exactly what I needed and was very highly recommended. I decided that this was what I wanted.

So, what does JTPA have to do with all of this? Without the assistance of JTPA I would be still pounding the pavement looking for a job. JTPA has assisted tremendously with my educational costs so I can continue to meet my day-to-day obligations while attending school. At 48 I find myself with a promising future ahead of me thanks to the fine people at U.T.I. and JTPA. I will soon be graduating and I have opportunities you would not believe ahead of me. I am looking forward to repaying, through my taxes, what JTPA has given me.

What a difference a year makes.

I only have two suggestions to improve JTPA. The first is to better inform the public of its existance. I found out about JTPA through a small article in the newspaper. To me it should be front page news.

The second suggestion is that a heavy emphasis be put on retraining farmers using schools like U.T.I. The training at these schools, in my opinion, is best suited for people like me who need training but cannot spend two or three years getting it. I know several farmers in situations similar to mine that could benefit from the combination of JTPA and these private vocational schools.

In closing, I want to thank you very much for listening to me and I hope that this will in some way help those who follow me.

Mr. **Frank**. Mr. Lightfoot, would you like to start with questions?

Mr. **Lightfoot**. Thank you, Mr. Chairman.

Larry, the first question is for you. You have been through the whole gamut, as you said, and I can detect, I think, a bit of confidence in your voice and your attitude which is commendable under the circumstances that you have been through.

My perception is that a lot of people who are involved in agriculture, and it has been their lifestyle, this is one of the big problems from the very beginning, that you just feel like you are not worth anything, that you don't have anything to sell.

Is that a correct perception or not?

Mr. **Broich**. Oh, yes, the whole class was that way. One of the ladies, she was a farm wife, she was really backward, I mean, as far as being able to think she could do things. She just thought, "Well, I am a cook and that is it." Now she is keeping medical records at the hospital, that is what she started out with; and now she is a receptionist and she is a perfect receptionist. We could all see it right away.

At the end of 9 weeks this program had people sit right up in the middle of class and tell you exactly what is wrong with you, what bothers you and what is the matter with this person, and the guy says, "Thanks a lot for helping me out," it is a whole different deal.

You are dealing with very proud people here. Just to get them to go to the class is going to be tough.

Mr. **Lightfoot**. That was what I wanted to get to. The basic problem as I see it is to get farmers to come in the first place and say, "I do need some help."

How do we do that? How do we get the word out?

Mr. **Broich**. I think through public meetings and maybe have somebody like myself talk to them. If you haven't been through it—you can have all the psychology degrees in the world and know everything, but if you haven't been through this thing, it is something to deal with, and, men, we have a problem coming up that you won't believe. This thing is going to snowball and it is going to be unbelievable.

We can see it coming. We have said it for years and it is there. We were locked into high-interest rates. We couldn't get out and we are done. The debt gets so high, you might as well face the fact. It is there, we won't get rid of it.

Mr. LIGHTFOOT. You mentioned guidelines a couple of times in your statement. If the guidelines were different and you could have maybe been involved in this type of program before you got down financially as far as you did, would that have been an advantage, and if so, how do we need to change the guidelines so that you can qualify earlier?

Mr. BROICH. In my case, it really was. I knew a year ago. My bankruptcy was last spring, but I knew a year in advance this was going to happen. I am a facts-and-figures person, I guess. I found this out at school in the JTPA Program.

I could see the handwriting on the wall and I knew I had to be ready. So that is probably answering your question; a year.

These people that are left on the farms are not stupid. They are pretty sharp people. They watch what they are doing.

Mr. LIGHTFOOT. How would you suggest that the guidelines be changed so that using your own situation you could have gotten into the program earlier, for example?

Mr. BROICH. The main fact will be to get the guys to come, I would say the lenders, if a man is in danger and it is easy to see if your debt-to-asset ratio, supposedly the magical figure is 2 to 1, if they get to 3 to 1 or something like that, or use the suggestions of a lender that this man might be in trouble. What if you spend $1,000 on the person and help him out? Maybe before he gets so far down, he might go to town and get a job.

It is pride. It is a farmer, and, well, FHA's guidelines up to a few years ago were that you had to be a full-time farmer before you could even get help. So you take it in that perspective, give this man a shot before he is down.

When you are clear down and they have the gavel up to sell your stuff off, it is too late.

Mr. LIGHTFOOT. Which, if you could get into the program sooner, would alleviate some problems that Mr. Nielson and Mr. Frank mentioned earlier that you wouldn't need that stipend because you still have some income from the farm and you could go from there.

It is my understanding that the guidelines today are that if you worked an hour a week or if you are maybe looking after your neighbor's cattle, you are considered employed so you don't qualify as unemployed. That doesn't seem fair to me.

Mr. BROICH. Well, it is a nitpicking rule, is the way I would call it. You are going to see more. I think if you could get these people into a transition program, that would be the thing. You can't just go out—you can, but you don't. You can't go out and tell a person, "Hey, your lifestyle, the way you lived it, is over; fine."

But if you tell him that, "Look, we might have to, we are going to have to do something different, this can't go on, but go into this program and come back and talk to me," you know, I think you will probably have to tell a person he will have to go into it. But we didn't know. I read it in the paper, about the JTPA Program. I am one for education anyhow. I will try anything to get a little education, and that is why I went.

Mr. LIGHTFOOT. From an ad you saw in the paper?

Mr. BROICH. From the ad I saw in the paper. Ginny Powers, she said come in and see, and she explained it and I said heck, it has got to be of some help, so it was a help to me.

Mr. LIGHTFOOT. I really don't know how to ask this. But how big of a factor is the pride, believing in individuality and so on that the farmers possess? It seems like at this point it may be a stumbling block; they are such proud people, they will not come forward to these programs.

Is that a big stumbling block? How should this program be sold to them so they don't perceive it as a handout or whatever it is that goes against that thing inside that says I am going to do this myself?

Mr. BROICH. First of all, I would change the name of the program. Dislocated worker is not—does not fit the farmer. Make it a farm program. Seems like the farmers are always taking a cut off of something else, even our own Government program where we get our money from our Government programs, ASCS office and all, we are in with the Food Stamp Program, you know. We shouldn't be.

It should be a separate deal. FHA is a Farmers' Home Administration, but it finances how many thousands of homes in the cities? Our people in FHA are swamped with the farm program, but they have also got the program of the worker in the city buying him a house. Here is this poor old boy behind the FHA desk, with a farm program here, and then we have a city worker program here and it isn't the same.

There is a whole different gamut of guidelines to follow from a farmer to a city worker.

It is probably unfair to the city worker. He sees the combines, the house, and he says I am living in a little apartment and here he lives there, but they don't understand it. There are people right in Leon, IA, and Creston, IA, saying hey, you deserve everything you got. We might deserve something, but we didn't deserve it all.

Mr. LIGHTFOOT. I agree.

There is an obvious difference between you fellas, you represent two differentiations. Bill, you have been on the farm basically for a large portion of your life. Now you find that you are making this transition.

Did you share somewhat the same mental problems and anguish that Larry went through?

Mr. KNUTSON. Exactly the same thing. It is very hard, especially when you get turned down when you apply for all these jobs. And I was in deep. There was no other thing to do but to give it up, you know.

Your debt gets so far ahead of you you cannot be helped.

This program worked real good for me because all I could ever do was get a part-time job and go to school and there was a little help and my wife worked some, so we got along good.

Mr. LIGHTFOOT. Gentlemen, thank you very much for your testimony.

Thank you, Mr. Chairman.

Mr. Frank. Mr. Nielson.

Mr. Nielson. Mr. Broich said he learned about JTPA in the paper. How did you learn about it?

Mr. Knutson. From the newspaper. Just a little article.

Mr. Nielson. You saw it in the newspaper as well.

Mr. Knutson. Yes.

Mr. Nielson. How could we better promote it so other people could learn about it and so on? Could we do a public service announcement over the radio to you? Would that be helpful?

Mr. Knutson. Yes, I think that would help. I believe the technical schools should, you know, they offer other kinds of plans of assistance. They ought to have that to mention, too. But special notice to the farmers, yes, and to lenders, also.

Mr. Nielson. Congressman Bedell mentioned we should trigger it earlier; in other words, not wait until the foreclosure notice is there but instead, wait only until there are negative cash-flow balances; or critical debt-to-asset ratios, as you mentioned.

Do you think that is a good approach?

Mr. Broich. That is the only approach. There are too many people now on the farm hoping it will go away. The Farm Credit System is sitting there hoping this problem will go away.

It is not going to go away.

My advice to anybody is to attack the problem, don't sit back and just sit there and wait for things to happen. With this program they have got a means to attack the problem.

Mr. Nielson. When you first went into JTPA to find out about the program in response to this ad, they were very helpful to you, I understand.

Mr. Broich. Yes.

Mr. Nielson. How could they expand their services and make them a little more easily available and how could they improve the services? Do you have suggestions for them to either improve their approach or to disseminate the information better?

Can you offer suggestions on that?

Mr. Broich. I think just the times are going to dictate a different approach. When things were relatively calm, we were on the brink, we were the first ones, but by getting people through the program they are going to be able to help themselves now.

You know, you call a family farm coalition meeting and my gosh, there will be hundreds of people there. Well, they should have a meeting like that and explain the program to them, what it will do for them, or what it is supposed to do.

Nothing will do anything for anybody if they don't make up in their mind that they have a problem and you know, some people will—we are not going to reach some. But the ones we reach it will help them very much.

Mr. Nielson. How many farmers have taken advantage of JTPA, at least in this section of Iowa now? You mentioned 11, that was the first group.

Mr. Broich. Yes.

Mr. Nielson. How are things going now, are there more there?

Mr. Broich. You mean needing the program?

Mr. Nielson. Yes, are there more in the college at Creston?

Mr. **Broich**. There hasn't been another program, as I understand. But as far as need for the program, you bet, there are people calling me to come to talk to church groups and this kind of thing, because they knew I went through it. Everybody kind of watched. I got questioned on the street, what do you do there? We said, "Well, if you get a chance go to the program and it don't cost you anything to go."

That is the best deal, because everybody is broke. They don't have any money.

Mr. **Nielson**. What are you doing now?

Mr. **Broich**. I am currently farming which I probably would keep doing on a small scale, but I have a job with a new glass company in Lamoni and frankly, they have been waiting a month for me to try and get the crops out. I went in to talk to them the other day and they say, hey, no problem; when you get done come on in. They are very understanding.

I think we have a lot of sympathy. Maybe through all this mess, people are trying to help the family farm.

Mr. **Nielson**. There is a real partnership between the company and the training.

Mr. **Broich**. Yes, definitely.

Mr. **Nielson**. What are you doing now, Mr. Knutson?

Mr. **Knutson**. I pick up temporary work.

Mr. **Nielson**. You pick up temporary work while you go to technical college?

Mr. **Knutson**. Yes. I am there most of all in the days. Of course my wife works.

Mr. **Nielson**. What area are you looking at, what area of employment do you want to head for?

Mr. **Knutson**. Refrigeration.

Mr. **Nielson**. Refrigeration, I see.

Mr. **Knutson**. Heating, of course, and air-conditioning.

Mr. **Nielson**. I commend you both for coming forward. I have no further questions at this time.

Mr. **Frank**. Just a couple for me.

Mr. Knutson, you indicated you thought at the end of your course things looked good for you, there were prospects, retailers and others had been interested. When you complete the course you will be able to get full-time work in the area you are working for?

Mr. **Knutson**. Absolutely. I should have brought a letter, one from Montgomery Wards, I could have showed it to you.

Mr. **Frank**. I would just say it is an argument in favor of expansion of the program, because as Mr. Broich said, a lot of people were skeptical at first. The Government doesn't always have a reputation for doing things well.

But the fact is we must get the word out. Sometimes Government programs can be useful.

I think it is important for you to have that sense and also as you show the success you gentlemen and others are having, we can expect more applicants for the program. We better be ready for it. That is probably what bothers me because I have to tell you now, if things go the way they look like they are going, this program will be cut next year as are almost all programs. I think this is an argument for us trying to be discriminating when we cut the budget and cut some things, but not necessarily everything.

My sense is because this has been a successful program to some extent, other people will want to go into it.

Mr. Broich, you are out speaking about it. My guess is next time they have the class, they will have more people applying than they can handle. You both mentioned pride as a factor, American farmers are the victims of their success, not of failures. We are not talking about people who are lousy farmers, we are talking about people who are good farmers and are subject to circumstances beyond their control. It is important to build people's confidence. If we get a situation where people like you take advantage of the program, find employment, and we begin to build up people's confidence and they apply to the program and they are turned down, it would seem to me we would be making a big mistake. We would hope to have an adequate level of funding so people stimulated to join this program by your successes can be taken care of.

I thank you both very much for testifying. I know it is not easy when you have been the victim of adverse circumstances to come and share them, but by sharing them you have helped a lot of those people and you have gone through the program and it is working well for both of you.

I appreciate your willingness to come and share your experiences so other men and women will find it easier. It is a very nice thing you have done. Thank you.

Next we will have Mr. Philip Smith, director, Division for Human Resources Coordination, Iowa Office of Planning and Programming, accompanied by three local service delivery area directors, D. Eugene Epperson, Jerry Smith, and Gary Woodward.

We will move quickly here, so we want Mr. Smith, Mr. Epperson, Jerry Smith, and Mr. Woodward.

What we will do is hear all your statements, and then questions will come from us after you finish. That way we avoid duplicative questions and you can all comment.

Let's start with Philip Smith, director, Division for Human Resources Coordination, Iowa Office of Planning and Programming.

STATEMENT OF PHILIP C. SMITH, DIRECTOR, DIVISION FOR HUMAN RESOURCES COORDINATION, IOWA OFFICE OF PLANNING AND PROGRAMMING

Mr. PHILIP SMITH. Thank you very much, Mr. Chairman, Mr. Lightfoot, Mr. Nielson. Welcome to Iowa.

As indicated in the introduction, I am director of the human resources division within the Office for Planning and Programming. In that capacity, I serve as the State director for the JTPA Act and therefore am quite involved in many of the activities we are discussing today.

I am pleased to be here this morning to discuss with you how the programs funded through JTPA have been or can be of assistance to farmers. As you are aware, Iowa, along with several other States, is undergoing some radical changes in the agricultural sector of our economy. High interest rates, the overvaluation of the dollar and low farm prices have had a major impact upon our economy, our farms, and the families and communities depending upon farm income.

While the intent of this hearing is not directed at the farm economy per se, it is important to understand the severity of the problem in order to appreciate the task ahead of those who are being asked to retrain farmers for new occupations. If I may, I would like to give you a brief overview of Iowa's farm economy.

The national farm crisis is often typified by using Iowa as the example. Nationally 12 percent of the farms are technically insolvent and on the verge of bankruptcy. The U.S. Department of Agriculture [USDA] estimates a 30-percent decrease in net farm income in 1985. Although no figures are available for 1984 or 1985, Iowa net farm income was $17,680 in 1981, $7,376 in 1982, and a negative $1,891 in 1983. Coupled with continued decreasing land values, low prices, and high interest rates, the situation gets worse and Iowa farmers are being forced to liquidate.

A January 1985 Farm Journal poll indicated 42 percent of Iowa farmers face debt trouble, and half of them are at "high risk." In January 1985, the Iowa Legislature, Senate Concurrent Resolution 4, declared an economic emergency and during the session launched legislation in response to the crisis. The Governor, along with financial institutions and rural agencies and organizations, initiated special programs to help farmers cope with the failures.

Bankruptcy rates for Iowa farmers continue to rise. According to a report of the Director of Administrative Filings of Bankruptcy, bankruptcy filings for the year ending June 1983 were 2,413 and for the year ending June 1984—2,744. This does not include farm foreclosures. Also indicative of the crisis is the number of bank closings. In 1983, there were no closings, in 1984 there were 2, and already in 1985 there have been 11. According to a Federal Reserve study:

> During the period from mid-1983 to mid-1984, the ratio of delinquent loans-to-capital assets in Iowa banks rose 7 percent to 32 percent—the greatest increase of any state.

It is projected that bankruptcy rates will increase from the historic 3 percent to 18 percent in the next year. The Federal Reserve reports that Iowa was the highest State in the region in reporting declining repayment rates, monthly renewals and extensions of loans. Nationally, the levels of new charge-offs of loans in the first half of 1984 approach 0.7 percent of farm loans outstanding. And Iowa exceeds the national average with 0.9 percent.

These conditions are amplified by the fact that Iowa showed a drastic reduction in farm land value. Between 1983 and 1984, land decreased in value by $334 per acre, or 19.8 percent. Since 1981, land prices decreased 37 percent, returning the price to the 1976 level. Inventories on all livestock are down and the Iowa Livestock & Reporting Services reported in August that cattle inventories are at the lowest since 1931.

A recent poll conducted by Iowa State University, the Iowa Department of Agriculture, and the Iowa Crop & Livestock Reports Service in March 1985, indicated that 11 percent of Iowa farm operators have a debt-to-asset ratio of over 70 percent.

An additional 21 percent have a debt-to-asset ratio of 40 to 70 percent. Iowa's proportion of farmers that have an estimated debt-to-asset ratio of 40 percent or above has steadily increased over the previous years. Iowa banks reported in February this year that 18 percent of the farm loans had significant problems in the repayment of loans.

Agriculture and financial economists believe farmers with a debt-to-asset ratio over 70 percent in the current economy are insolvent and have little hope for survival. Those over 40 percent are at "high risk."

The poll also indicated that the farmers surveyed experienced a significant loss in net worth—$114,000 or a 24.8-percent decrease since 1984. Assets declined 18 percent and debts increased by 3.2 percent, but non-real-estate debt rose 13.2 percent. In 1984, only 5 percent of the sample had debts greater than 70 percent of their assets. By 1985, 11 percent of the sample operators will have fallen into this category.

Iowa also continues to feel the effects of adverse weather conditions. The 1983 drought had an estimated $608 million loss in economic activity. According to the study, "Impact of 1983 Drought in Iowa," Daniel Otto, June 1, 1984, the $608 million represents job losses equivalent to an estimated 9,933 employees. The multiplier of 1.91 implies that for each 10 jobs lost in the agriculture sector, an additional 19 jobs are lost in the nonagriculture sector of Iowa's economy. Current drought conditions in parts of the State indicate additional job and economic losses.

Economists and financial experts point out that this continued erosion of the farm base will have a disastrous effect on the rural communities. For example, Iowa State University points out that suppliers of feed, seed, fertilizers, and other farm units are highly vulnerable to losses from accounts receivable. They point out that losses of 5 percent of sales would put 50 percent of that group out of business. So while we are focusing on the farms per se, we also have to consider the needs of agribusinesses and those dependent on farmers as consumers.

Unlike most other dislocated workers, farmers do not have unemployment insurance coverage to allow for financial assistance during the transition period in seeking new employment. Farm families seek a variety of methods to hold on to the farm. In a March 1985 rural farm poll conducted by the Cooperative Extension Service, 28 percent of the 1,900 farm families polled indicated they sold possessions or cashed in insurance policies, 27 percent postponed medical care and 22 percent took off-farm employment.

Eighteen percent reported purchasing more items on credit and 13 percent reported they had let their life insurance lapse. Ten percent reported they were unable to pay property taxes.

What this means for Iowa is a number of things. One, during this coming year it is expected that we can lose as many as 12,500 farms. That translates into 24,800 dislocated farmers and farm family members who will seek new employment.

The loss of these farms means a loss of 992 rural businesses. This will mean a loss of 24,800 rural "town" jobs. That will create a rural unemployment loss of 49,000 people in need of jobs, retraining or relocating.

The cost for 1 year of retraining and relocating these people will cost in excess of $50 million.

The State in short, has been swept by the rampant change in the nature of the economy over the last 2 to 3 years, something we are not accustomed to in this State, and something we are having difficulty in finding the response that will be right.

Turning to JTPA, we recognize that JTPA is not a "farm program," nor was it necessarily designed to serve farmers, an increasing number of farmers, farm organizations, and community groups are looking toward this program for assistance.

Specifically, interested parties are looking for help in defining new career goals and options, counseling, job search assistance, retraining, and relocation. Perhaps one of the reasons the program is popular is that it is one of the few Federal programs that has any flexibility in it, the flexibility needed to reach this diverse population group.

In response to this situation, we were asked by Governor Branstad in April of 1984 to seek new ways of helping farmers via JTPA. We then rewrote the definitions of a dislocated worker, so that self-employed individuals who were being foreclosed upon, unable to secure credit, or had filed a bankruptcy petition were eligible for the program. We were the first State in the Nation to go out and declare farmers eligible and since then, several States have copied that lead.

Using this title III definition, and the enrollment criteria for title IIA of JTPA, we have been able to serve approximately 318 farmers since July 1, 1984. We have done this through our network of 16 dislocated worker centers, our 16 title IIA grant recipients, and 2 small discretionary projects funded with title III carryover funds directed at farmers.

Our efforts to date, while moderately successful, need to be intensified as we face the major problem awaiting us with respect to the large number of agriculture-related dislocations. This is why we were pleased to receive a $500,000 title III discretion grant from the Secretary of Labor to retrain dislocated farmers. This grant will enable us to serve about 385 farmers in a 28 county area, beginning December 1, 1985.

Additionally, we are looking now at targeting a portion of the 8 percent funds provided through section 123 of JTPA for State education and coordination grants toward farmers. We feel this section of the law will enable us to focus on three areas of training vitally important to the State.

First, through the coordination provisions of section 123, we feel we can undertake the development of a statewide program designed to help farmers who are likely to remain in farming upgrade their managerial skills. Farmers today and in the future will require intense and professional management techniques. JTPA should be a part of this process.

Second, there needs to be a greater coordination of the resources available to assist dislocated farmers make the transition from farming to some other form of employment. JTPA, with its network of private industry councils, administrative entities and educational institutions, should play a greater role in this area. We are currently exploring potential actions the State can take to encourage this coordination and targeting of resources.

Right now many people and many organizations in the State want to get involved and do have things to offer, but there does not seem to be a point of leadership and we are now attempting to mobilize that at this time, and JTPA will play a major role in that.

Finally, under this same section, we are studying ways to target some of the money to serve farmers and other agribusinesses. Section 123(c)(1) of the act allows the Governor to use 25 percent of these resources on noneconomically disadvantaged participants requiring special assistance. Certainly many farmers will fall into this category.

As you have anticipated, there are problems in attempting to serve farmers via the JTPA employment and training system. From my perspective, I believe the major areas include:

One, difficulties in the identification of farmers who are eligible and are likely to benefit through such a program. When a plant closes, there is much publicity about it and peer group support from the affected workers is a rallying point. No such system exists for farmers residing in rural areas. They often are reluctant to even talk about their problems, let alone seek Government assistance.

There is significant signs that there are major family stresses in many of these rural communities and families. Reported instances of family violence and divorce rates and things like this are showing that this has had a major impact.

Many of these things go unreported and are hard to tabulate, but there are many anecdotal stories.

The second area is inability to intervene quickly enough. This was mentioned earlier. To help farmers make the transition less painful. While production workers can be enrolled in a title III activity once given a notice of layoff, even though that might be 6 to 12 months in the future, there is no easy way to enroll farmers before they are forced off their farms. Faster intervention can help many people prepare for new careers and still allow them to farm and support their families.

We get phone calls from people who want it but are not ready to leave farming. I think it is a must that we have to be able to intervene quicker than we can now, especially since JTPA does not have the means to provide allowances. There needs to be a form of income support for farmers.

The unemployed production worker who recently received a layoff notice may be able to draw unemployment benefits in this time. That is essential to support family obligations he or she may have.

In the farm situation they don't have that to draw upon. They have also lost all their resources or they are tied up in litigation. So we have a tremendous income need that we have to meet and that is a barrier to the program.

The third area is the difficulty in determining the elibility of farmers under both title IIA and title III. Income records and expense reports are very complicated for farm operators which makes it a frustratiung and time consuming process to determine eligibility.

And finally, four, the lack of JTPA funds to support a major, statewide retraining effort targeted toward dislocated agricultural workers. The JTPA system has been criticized on the national level for not spending its title III funds. This is not true in Iowa. For the 21-month period beginning October 1, 1983, and ending June 30, 1985, Iowa has spent 90.1 percent of the funds contracted. This could have been 100 percent, but we have committed over $1 billion annually in State appropriated money to meet the match requirements because of our strong support for this type of program.

To make the figures look better, we could have spent all our Federal funds first before tapping the State money. My point in bringing this up is to state clearly for the record that Iowa has used the money appropriated by Congress. This is not the time to cut money from this important effort. To make the figures look better we could have shown that all Federal moneys were spent and consequently we saved State money, but we elected not to do that.

My point is that this is the major rationale given in the Appropriations Committee in Congress for cutting the money. I want to make clear that that is not the case in Iowa. I would encourage you not to penalize States like Iowa, Nebraska, or other smaller States, because some of the larger ones have failed to spend the money that has been appropriated to them and allocated to them. There needs to be that kind of flexibility and discretion within the form used currently by the Department of Labor.

In closing, I would like to just offer a few suggestions for deliberation by this committee. First, in order to successfully serve this population, States and their local counterparts will have to develop more effective outreach systems if they hope to reach those in need. At the same time, they will need to be able to intervene earlier with their services, and to do a better job of coordinating activities with other related groups and programs.

Second, I believe JTPA elibility guidelines need to be liberalized to cut down on the amount of time and energy it takes to qualify someone for the program.

Third, Congress and the Department of Labor should target a major portion of the discretionary title III dollars to the agricultural sector of the economy. If new training programs are being considered, targeting these efforts toward farmers should be made a priority. At a minimum, it should be clear that farmers are indeed eligible, and enrollment restrictions should be minimized.

Finally, I would suggest that the Secretary of Labor appoint a task force to specifically look at JTPA and its ability to serve displaced agricultural workers. This is not a midwestern problem. It is a national problem of growing concern to States from Maine to California. The Department of Labor should take the lead in clarifying ways and methods for JTPA to serve farmers and those dependent upon farming.

This agency should be encouraged to liberally interpret the statute to help States overcome some of the barriers in reaching those most in need. Under the new leadership of Secretary Brock and upon the urgency of Congress, we have high hopes of the Department's sensitivity to our Nation's agricultural economy, and the hundreds of thousands of individuals and families faced with unemployment because of it.

JTPA can and should be and will be important in the process of helping people through this difficult transitional period in their lives.

I thank you very much for the opportunity to share my thoughts with you this morning. I appreciate your interest in this subject, and I would be glad to assist in whatever way I can.

Thank you very much.

Mr. **Frank**. Thank you, Mr. Smith.

Before we go to questions, we will hear from Mr. Epperson.

STATEMENT OF D. EUGENE EPPERSON, DIRECTOR, JTPA SERVICE DELIVERY AREA

Mr. **Epperson**. Thank you, Mr. Chairman, for allowing me to testify this morning. I will be rather brief and hopefully to the point.

Providing employment and training assistance to farmers in our eight-county area is a very difficult and frustrating task. Their employment and training needs are similar to those who have lost their jobs and must change occupations. However, their individual situations are vastly different than those who lose their jobs through plant closings or layoffs whereby you have a definite date of unemployment.

Some of the differences are as follows: One, they all live in the country and are not easily accessible—no public transportation; two, most are private business people who are employers—not employees; three, many have diversified farming operations; four, some have options such as reducing operations, selling land, livestock or equipment; five, a few will stay living on the farm seeking jobs in town or with other farmers; six, others will leave the farm but not the rural community; seven, many will not accept general assistance or food stamps, and; eight, very few actually wish to leave farming.

We have found a very small need for training other than on-the-job training with private industry. Farmers tell us "we need immediate income to provide for our families." Only those who relocate or wish to change careers completely are willing to accept institutional or job-seeking training and they need funds to support them while in training.

A number of farmers do not qualify for IIA funding because they or their wives have taken employment in town and that income is viewed separately from the farming operation. More farmers would be eligible if all of their income were compared against all of their losses. Title III funds are the primary source of dollars used to assist the farmers, and the more than 1,000 residents of our service delivery area who have lost their jobs due to permanent reductions and plant closings since July 1, 1984. This year's budget is woefully inadequate to fulfill these needs, while next year's budget is anticipated to be less than one-half of this year's appropriation. Specific funding with minimal restrictions on supportive services would appear to be the optimal solution to meeting farmers' needs in the area of employment and training through JTPA.

Thank you.

Mr. **Frank**. Thank you.

Mr. Jerry Smith.

STATEMENT OF JERRY SMITH, DIRECTOR, JTPA SERVICE DELIVERY AREA 14

Mr. JERRY SMITH. Thank you, Mr. Chairman.

Service delivery area 14 of Iowa's JTPA Program is one of the most rural service delivery area's in the Nation, serving seven counties in southwestern Iowa. Efforts are currently being made to utilize title III of JTPA to assist the dislocated farmer population.

The problems in the farming community are well documented. Service delivery area 14 has experienced the effects of three bank closings in the past 18 months, accompanied with significant loss of income being generated the past 2 years. Estimates vary, with predictions of 10 percent to 20 percent of the farmers in our service delivery area becoming displaced.

Two areas of concern I wish to address today include: One, the definition of "dislocated farmer" at best is a vague status which is extremely difficult to classify. Where the farmer can be in several stages of liquidation, the question of when he in fact becomes eligible for service arises constantly. My suggestion is, by working through the Iowa State administrative entity and the Department of Labor, the definition be expanded to serve individuals who self-declare their status as dislocated farmers who are seeking transition to other employment.

Two, with an understanding of the lack of Federal resources available, I would cite the concern of funding considerations under JTPA. Of particular concern are substantial real cuts in title III and IIB which in our SDA directly affect programming capabilities at a time when demand for services are increasing. This is especially true in rural areas in general, which prevents farmers who become dislocated, from being counted in unemployment statistics, thus, not reflecting the need of area funding by formula.

My service area has unemployment rates that range in the area of 4 to 5 percent, very marginal. Yet we are seeing a lot of farmers who because they are not qualified for unemployment also are not qualified for unemployment statistics.

When it gets to the Federal funding formula, coming down from title III or title II, frankly our funding is somewhat marginal.

In summary, I don't think JTPA can be the solution to the farm problem. I don't think throwing additional dollars into the problem is enough. We have people working hard bringing light industry into our area doing a lot of economic development efforts. I think what we are looking at in our area is once that industry arrives and it is coming in, assisting farmers like Mr. Broich to make that transition is critical.

One of our assets is we have some excellent people. I think Mr. Broich is testimony to that.

Hopefully with some minor adjustments we can make the program work in our area. Thank you for this opportunity.

[The prepared statement of Mr. Jerry Smith follows:]

JTPA
JOB TRAINING PARTNERSHIP ACT

215 North Elm
CRESTON IOWA 50801

Testimony presented by: Jerry Smith, JTPA Service Delivery Area 14 Director, 215 North Elm, Creston, Iowa - "The Job Training Partnership Act and Serving Dislocated Farmers".

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In summary, JTPA cannot and should not be considered a solution to the farm problem. It should also be recognized that additional dollars by itself will not solve the problem. What must be done is a local effort to bring jobs into the area with economic development followed by utilization of JTPA funding to assist the dislocated farmer population into a more diversified labor force. This is the partnership required to make JTPA a truly successful program.

Attachment A
Creston News
Advertiser,
Fall 1985

DPI says Ringgold County hardest-hit by economic times

This area of the state, particularly Ringgold County, is hardest hit by the tough economic times according to statistics gathered by the Iowa Department of Public Instruction.

The study said about 15 percent of Iowa's population—432,795 people—are below the poverty level, based on 1983 tax data furnished by the Iowa Department of Revenue. In comparison, 29 percent of Ringgold County's population is below the poverty line, and 28 percent of Taylor County residents are in the poverty category.

The area of Adair, Adams, Clarke, Decatur, Montgomery, Ringgold, Taylor and Union counties as a whole lists an overall poverty percentage of 22, the worst section in the state. Northeastern and northwestern counties are close behind, with 21 percent. The best economic conditions seem to be in central Iowa, with only about 12 percent of the population below the poverty level.

Criteria for determining poverty levels are provided by the U.S. Department of Labor and based on income level and family size. For example, for a family of eight, the criterion would be an annual income of $17,850 or below.

The DPI uses poverty level statistics in distributing federal funds for vocational education programs. More than half of the federal vocational education funds coming into a state must be allocated to economically depressed areas.

The counties with the lowest percentage of their population classified as low income were Story (8 percent), Johnson (9 percent), Polk (10 percent) and Scott (10 percent). All are urban counties, containing the cities of Ames, Iowa City, Des Moines and Davenport, respectively.

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Mr. Frank. Thank you, Mr. Smith.

Mr. Woodward.

STATEMENT OF GARY WOODWARD, DIRECTOR, JTPA SERVICE DELIVERY AREA

Mr. Woodward. Thank you, Mr. Chairman.

The Job Training Partnership Act Program legislation as currently written does not lend itself easily to serving farmers in distress. The State of Iowa, in its attempt to interpret Department of Labor regulations, has determined that a farmer must be declared bankrupt, foreclosed upon or not able to receive a line of credit in order to be eligible for the Title III Dislocated Worker Program of the Job Training Partnership Act.

The title IIA eligibility guidelines are based on the last 6 months income and expenses. With some regularity, the last 6 month's financial picture is not reflective of the circumstances for the entire year. There can be a skewing of either income or expenses to excess.

If the farm economy sector is to be served, legislative change is needed to allow eligibility requirements to be more reflective of the entire financial picture.

Suggestions for change are as follows: One, title IIA eligibility requirements should be based on the last 12 months financial information instead of the last 6 months for self-employed applicants.

Two, the Department of Labor should standardize eligibility requirements for title III applicants who have been self-employed. This is necessary because the State of Iowa has had to make a decision on eligibility criteria without assistance from the Department of Labor. Historically, Iowa takes the more conservative approach in these situations. The effect has been to make title III practically useless to assist farmers and other self-employed individuals to obtain retraining.

There is another problem facing program operators who deal with farmers seeking services from the Job Training Partnership Act. Most applicants from the farm sector that we see are not seeking training or retraining for new jobs. They are trying to find employment in order to establish a cash-flow that will enable them to continue farming. This does not easily align with program constraints that operators must conform to.

The dilemma for the Congress and policymakers is to decide if they want the Job Training Partnership Act to be a primary vehicle to assist the farm sector.

Mr. Frank. Thank you, gentlemen.

I have some phone calls that I have to make back to Washington, and I will ask Mr. Nielson to preside for a while but I just want to express my thanks to all of you for coming forward.

My leaving is not an indication that I am not interested, your testimony is very useful and we will be addressing these things that you have testified to.

Mr. Nielson [presiding]. I congratulate you on your testimony and I will call on Congressman Lightfoot for questions, and I have a few after he is finished.

Mr. Lightfoot. Thank you, Mr. Chairman.

First of all, this question is to you, Mr. Epperson, but maybe the rest of you want to jump in on it because you are out on the front line seeing this every day and working on it.

If I am hearing what I think I am hearing, one of the problems is definition of how people fit into the program, which is what one of the farmers said earlier.

If you were given a Big Chief tablet and a lead pencil and were allowed to sit down and write the definitions, what kind of definitions would you write that would allow an equitable way for getting people into the program?

I throw that out to all of you.

Mr. **Epperson**. I personally think Gary spoke for all of us concerning the counting of 1 year's income in determining eligibility. That certainly would make more people qualify throughout the year. Also when you take and separate farm income it caused them to become ineligible. You know, there are many farmers today who have already taken jobs in town.

Mr. **Lightfoot**. Right.

Mr. **Epperson**. They have seen this coming. Their wives have taken jobs. They have taken jobs in town and are using the dollars to pay off the farm debt, yet they cannot count the income as total family income. They cannot offset losses with this income so they become ineligible under the biggest pot of money available and that is title II funds.

Mr. **Woodward**. An example of what happened 2 days ago in our office and how that affects people, we had a farmer come in wanting to know about the services, we talked with him. Last spring more than 6 months ago, which is our income determination guideline for title III, he bought his fertilizer and seed and paid for it, and the same morning that he came to town to see us, before he came to us he stopped and sold his beans—real poor planning. The guy wasn't aware, but had he been able to come and see us—when I would say to him you should have come to see us first, he said I don't have a choice, the beans have to go.

But the income received from the beans just blew him out of the water as far as any sort of eligibility for JTPA.

So expenses of more than 6 months ago have nothing to do with income at this point.

So the yearly picture is the guy is going to show a loss but the 6 month picture is he is way over the guidelines.

Mr. **Lightfoot**. Is a year long enough? Should it be 2 years?

Mr. **Woodward**. Should be maybe, yes.

Mr. **Lightfoot**. The question that was addressed by the two gentlemen that preceded you gentlemen, they both responded to a newspaper ad to find out what services were available in the program. Do you have any ideas or thoughts on how we can do a better job of getting the word out that there is something available?

Again I address it to all three of you.

Mr. **Epperson**. The approach we have taken, and the gentleman is here in the room, is to hire a staff person, dislocated farmer staff person as we call him, if you will. That individual is charged with the responsibility of contacting every lending agency in our eight-county area, all the bankers, et cetera, and identifying JTPA as a source of referral that the bankers can make when they won't extend credit, foreclose, or naturally see that it is fairly obvious these folks are not going to make it.

Then that contact can serve as a referral back to JTPA. We think that that is one good way to do it.

Otherwise I cannot speak for the other gentlemen but we have used ads, we worked through every organization that comes in contact with farmers and I just don't know how else we would spread the word any better actually.

Mr. **Jerry Smith**. I would say we need to do a better job in marketing for this population. Traditionally I was involved with the CETA Program basically for its entire duration. Most of the structurally unemployed people are fairly familiar with services that are being provided, JTPA or CETA. This is a new population for us to work with. They are not aware that we exist in many cases and I think we have to do a much better job of marketing, whether it is through the newspapers, radio, contacting any institutions, and basically people that are coming in contact with farmers as they realize the situation as it is.

Mr. **Woodward**. We also work closely with the extension office throughout the State, locally, and in conjunction with them in community colleges and in our program we have offered career alternatives to farming workshops three times in the last 12 months.

Now, we have had four people show up at those workshops. I don't know if it is not enough advertising. I don't know if it is the problem that was mentioned about pride, that sort of thing.

I am not sure what or why we have not gotten more. I think we have made efforts but apparently not well enough yet, anyway.

Mr. **Lightfoot**. This is more an observation than a question. My sense of it is that I think it is pretty obvious we are dealing with a different type of people than the hourly wage earner who is accustomed, as has been pointed out, to the various benefits and this sort of thing, and that with a paycheck coming in, it is more certain, and you know when it will be cut off.

But here you are dealing with basically an independent business person who doesn't really look to those types of assistance.

One area that has established support groups, Mr. Woodward, is in your area. It is the Des Moines Area Community College, and looking through the testimony, they feel they can qualify people. But one other group, a mental health clinic, established support groups but they are discouraging farmers from going to JTPA, because they feel they won't qualify.

If we have that support in the private sector, it would seem maybe there is some way to join hands with those people and make the programs work together. Any ideas along that line?

Mr. **Jerry Smith**. In our area, Congressman, we are starting to make progress in those types of areas and in getting back to some of the economic development efforts that are done locally.

We are starting to do some such things as labor surveys and attempting to find out just how many or what population we have available to work within our areas.

We have received a VISTA grant and we will have eight VISTA's in our area. They are basically local VISTA's which will help us do outreach and identification and so on of individuals.

There are several support groups out there. We are just needing to coordinate the services a little better.

Mr. **Lightfoot**. Am I correct in what you are telling us then that, No. 1, identity is the big problem, who needs the service and who is available for it and defining just who they are so they can qualify.

Mr. **Epperson**. I think that is accurate.

Mr. **Lightfoot**. That is what you are facing in the field.

Mr. **Epperson**. Yes, that is accurate.

Mr. **Lightfoot**. The surrounding States have developed programs, Kansas has one, Nebraska has Farmers in Transition, I think they call it that and Minnesota now apparently has taken the lead in getting people into the program to make it work.

I know several of you mentioned money as being a problem and we certainly recognize that. But on the other side of the coin, I think it is important we get the most bang for the buck, and since there is a great degree of flexibility, such as in this particular program—I guess, Mr. Smith, I will direct this to you since you are the leader of the group here—why shouldn't Iowa take the bit in their mouths and run with it and be out right in front? Why has Minnesota moved out ahead of us apparently?

Mr. **Philip Smith**. Well, I am not sure I would agree that Minnesota necessarily moved out ahead of us. They were able to secure a million-dollar title III discretionary grant last year which has allowed them to reach a population, especially in the southern part of the State. We did not have access to that. We did apply for funds, but did not receive any last year.

In dealing with the dislocated worker program, there is not a shortage of people eligible for the program. As I indicated in my testimony, we might have as many as 50,000 people that potentially could be eligible just because of the farm economy.

We also have a company, Rath's Packing in Waterloo, that closed and left 1,500 unemployed, John Deere let off another 480 production workers, Firestone in Des Moines is laying 500 people off—all these jobs are agriculture related. There is no shortage for trying to find participants with whom to work.

One of the first responses to your question is that in dealing with the program throughout the State, I think each one of the dislocated worker centers—all three of these gentlemen can affirm or deny this—have to make a list of priorities. They have plenty of people to enroll.

What we have not done in the State, and I think we need to do this, is to target on farmers because we know that will be a heavily impacted area for the next year. That is why we are looking at certain provisions under JTPA to do that now.

We expect that we will be doing that now. There is plenty of flexibility there. I don't think that is the fault of the law.

I think the critical problem is the lack of adequate money. We can talk about markets and we can talk about outreach and intake and so on, but when you get an area like Creston with a budget of $50,000 to run a 12-month program, all those options don't mean a thing to them unless they have some money to do that. That is generally our problem.

I guess what scares us is that we will lose maybe up to a million dollars of our title III money simply because of the cut next year. We feel it is grossly unfair to the State. The reason given was that States did not spend the money. When you look individually at States, you will find that this is not necessarily true for the rural States.

From what I understand, California didn't spend any of its title III money in the first 9 months. So we are getting penalized because of that. I think that is the adjustment that definitely has to be made somewhere along the line.

I think we have to take a more aggressive leadership role at the State level. We are trying to move into that. We have seen the figures. I gave you some of them.

We know what is going to happen in the next 2 years in this State. We have to start using whatever we can. Even though they might be inadequate, there are good provisions there and we need to use them.

At the same time we need to keep the Congress informed.

Mr. **Lightfoot**. You mentioned Rath's and John Deere and some other layoffs, how does the Governor decide where he targets JTPA money? Does he target more toward the plant closings than he does to farmers?

What is the scenario behind making the decision of what funds you do have available and where they are targeted?

Mr. **Philip Smith**. Generally, what we have done with the program under title III is to use the formula based in the law to distribute the money equitably to each of the 16 areas of the State.

We have delegated the authority to each one of the private industry councils that oversee the dislocated worker program to decide what priorities they will have in using that money.

We have not taken any of the formula title III money and designated it for any particular company or group. What we have done is to use unspent carryover money from the previous year, for special projects. We did that for two farm projects last year, one in Creston, one in Sioux City. We are doing it this year for small projects, such as Ruth's, John Deere, and Firestone.

As far as the discretionary money from the Secretary of Labor is concerned, we have prepared and submitted applications based upon information available to us. That is where we received the $500,000 grant this year. We opened the possibility to each of the service delivery areas to submit a grant application for funding from that source.

We had five applications which came in this year. They were submitted to the Secretary and turned down. We intend to rework them and resubmit them later.

Mr. **Lightfoot**. I intend to ask the Labor witness about the title III money to see if we can get more targeted for the farm communities.

Now back to my question on Minnesota, I guess my perception is that where they may have stepped ahead of us is they have expanded their definition of who is eligible to come into the program.

Is there any movement along that line in Iowa? Will we expand the definition so that——

Mr. **Philip Smith**. Yes.

Mr. LIGHTFOOT. The State of Minnesota got by with it, so to speak. It got through DOL.

Is the State of Iowa behind something similar?

Mr. PHILIP SMITH. We will rework the definition and, as I say, we were the first to use it. Other States copied our exact definition. That was a conservative definition.

We had to find something in the law that let us have a point of termination from farming. The law doesn't deal with the self-employed person.

Mr. LIGHTFOOT. Right.

Mr. PHILIP SMITH. So that a farmer doesn't get a layoff notice or, a notice of a plant closing. So we had to find something along that line. That is where we came up with that definition.

We think there are ways that we can more liberally interpret that and we will do that. But at the same time we will ask the DOL to help us with that process because they are not on the front line like these people are.

Yet, they sometimes in the past—that is not necessarily true now—but in the past they have had the luxury to come in and second-guess every decision being made and they can declare someone ineligible, disallow costs and create a tremendous liability for those involved in that process. We are afraid of that.

But I think under the partnership, if the new Secretary of Labor can start taking a leadership position, and there are lots of encouraging signs that he will do this, and quit trying to undo the employment and training system as some predecessors have, then I think we can start working candidly in a partnership like this law envisions to solve some of these problems.

But repeatedly in the past, we have asked questions and never got answers. You have heard all this before and I don't need to go into that here, but I am encouraged by the signs I have seen in the last 6 months. I really feel we will be able to move forward in this area.

Mr. LIGHTFOOT. Has the DOL questioned you on what you have done so far?

Mr. PHILIP SMITH. No, they have not.

Mr. LIGHTFOOT. Do you view that as a good sign?

Mr. PHILIP SMITH. Yes, we do. Yes. But we also know that having had some experience with CETA and knowing we are still dealing with disallowed costs under that system and that we are in the process of litigation on that now, we can't always believe everything we hear. That is the tone I think the DOL has to work closely with the States on.

Mr. LIGHTFOOT. I think you were alluding to it a moment ago. There was criticism that the Department of Labor has been more of a policing agency than an administrative agency in the past, and under Secretary Brock there appears to be a move to go in just the opposite direction, which I think is a very positive sign.

Time always becomes a problem in anything we get into on this. Do you feel there is a way or is there a good enough working relationship between your agency and the Department of Labor that, say, you come up with an expanded definition of who can qualify and so on, and in order to cut a lot of redtape and move this definition forward rapidly maybe a telephone conference, or a quick get-together with somebody in the Department of Labor to see if this thing will fly to get it going because this all appears to be something that is bearing down on us.

One of our two farm witnesses said, and at least my perception of this whole situation is that you consider pride and all the other factors, a lot of farm people including businessmen and bankers didn't admit we had a problem out here until it got to the point you couldn't ignore it any further.

If we would have admitted it earlier, we may have been able to have softened it, maybe not avoided it, but we could have softened it. But now we reach a critical point where something will have to happen quickly.

Do you feel there is an avenue with Labor where we can make it work?

We are dealing in a brandnew ball game in my opinion. It is a different set of people, different set of circumstances, and frankly, very few people understand it.

Mr. **Philip Smith**. You are exactly right, yes.

I do think that we can get a quick response from the Department of Labor on this. I am more optimistic than I was 6 months ago, but to do that we will need assistance. Someone has to give someone out there a message that this is a top priority. I don't care if it is formal or informal, but we want them to answer some questions occasionally. If we are wrong, tell us, and we will try something else.

But what is frustrating is when they don't say we are wrong or right. So what they do is let some auditor 3 years from now make that decision for us, and that is not good.

In my testimony I indicated that it would be encouraging if the DOL could put together a task force. We have all been through that before. We have been task forced to death. But a working group working closely with the Assistant Secretary for Employment and Training, to look at this problem now will be very helpful to those States faced with this problem over the next 3 to 5 years.

The DOL could really take a leadership role by working with the States, focusing on program options, and on what research and development efforts can be done in such areas as outreach and early intervention.

How do we do that, though? How can we help the Jerry Smiths and Gary Woodwards out there, frustrated because they put on work shops and nobody comes? Yet we know hundreds of people are eligible.

If we could focus on that and get help from the Department of Labor, I think it would do a world of good. I believe the atmosphere is right and the DOL should certainly be interested.

Mr. **Lightfoot**. We are more than willing to work with you on it. I think one of the problems is communication. We are going to have to improve communications between Congress and the Iowa Department of Planning and Programming, the Department of Labor and other States.

For lack of a better definition, maybe we can get some of the bureaucracy out of it and get down to people-to-people contact and sit down and work things out more quickly.

One last question. Are you planning to apply for any more discretionary money?

Mr. **Philip Smith**. Yes, we are. We will be applying for at least $900,000 more probably within the next 3 weeks.

We will focus those applications on the three plants I mentioned: Rath's, John Deere, and Firestone. And we have not yet found out why our applications were turned down previously, but we are working with DOL and we will find that out and resubmit it.

Mr. **Lightfoot**. Thank you, gentlemen.

Mr. **Nielson**. Thank you.

I have a list of nine questions, but I don't have the time to go into them. Would you submit answers to these for the record?

Mr. **Philip Smith**. Yes.

Mr. **Nielson**. They include some questions by Congressman Lightfoot. For example, it asks, what title III money do you have unused in the State of Iowa?

A question like, does the Governor intend to give what money he has discretion over to the plant layoffs rather than agriculture? How closely does he work with other Midwest States for suggestions and cooperation?

What can you do with the carryover you have this year? Is there a discrepancy from your figures that you cite and the Department of Labor's figures?

Of course, there are other questions about how closely you work with the Department of Labor.

I will submit them for the record and let you answer them and save the time of the group here.

[Submissions to additional questions of Mr. Neilson and Mr. Lightfoot follow:]

QUESTIONS FOR PHIL SMITH

Question: I've noticed that the State of Minnesota has expanded its definition to include those farmers who are in the process of losing their main source of income. Does the Governor plan to expand this definition-because right now I'm told that many farmers can't qualify.

Answer: Yes. The State of Iowa will revise its eligibility guidelines for Title III applicants who are self-employed. A copy of the new definition, which takes effect December 2, 1985 is attached.

Question: Of the Title III money that the Governor controls, how does he decide where it goes? Does he have a tendency to give it to plant closing or layoff, rather than to a highly dispersed labor force, such as farmers?

Answer: All of the new federal Title III allocation, plus approximately one million dollars in state appropriated funds, is distributed by formula to Iowa's 16 dislocated worker centers. This money is awarded with the directive that the local dislocated worker plan include provisions for targeting some of the money to services for dislocated farmers. Carry over funds from the previous year are used to fund specific plant closing or layoff projects or special efforts for farmers. These funds are awarded on a competitive basis to the dislocated worker centers.

Question: Of all the farmers who could use your help, approximately what percentage are you able to help? Why are some farmers slipping through the cracks? How might we make sure that they don't?

Answer: A very rough estimate of the potential number of farmers eligible for services through the program would be in the range of six to eight thousand during the 1986 calendar year. To date, we have been able to enroll about 320. Another 385 are planned for enrollment in the new program being financed by the $500,000 grant from the Secretary of Labor (Title III Discretionary). This is a significant effort, but falls short of the projected need. Many farmers are not being served because of the lack of adequate program dollars and the difficulty in reaching farmers who might qualify. Many farmers do not want to talk about retraining. They want to stay in farming. Most of them become interested only after it is clear that they need to find another source of employment.

Two things will help in this area. First, we need to improve our outreach efforts and secondly we need to intervene quicker with our counseling services. Unfortunately, we simply can not afford to offer either of these services to the extent they are needed. But, some definite progress has been made over the past year. Resources are better coordinated, the general public is more aware of the need, and networks of service organizations are being developed.

Question: Do you see a need for a temporary mini-JTPA to serve only farmers? How would it be structured? What would be some of its provisions?

Answer: Yes. I believe the Secretary of Labor has the authority under Section 301(c) of Title III to reserve funds for this purpose and target them towards dislocated farmers and related agri-businesses. These funds could be administered through this national employment and training system by having the Secretary of Labor award grant funds to impacted States. States in turn could then either run the money through their already established Title III programs, or they could set up a series of special projects. In Iowa, we would integrate the program into our on-going efforts, dedicate some staff to serve only farmers, and emphasize outreach and counseling services as well as job search assistance and retraining. One of the most important components would be to help farmers rebuild their self confidence.

Question: How closely do you work with other Midwestern states on this issue? How closely do you work with other state agencies, such as the Iowa Department of Agriculture?

Answer: We are in regular communication. In our four state region (Kansas, Missouri, Nebraska and Iowa), State JTPA staff meet quarterly to discuss various issues and to meet with regional DOL staff. In addition, we communicate frequently by telephone. Occasionally, staff will visit another state to pick up ideas and discuss problems. In this particular region, we drafted a policy statement for the 13 State Midwestern Governors' Conference asking DOL to target some Title III resources to agri-business. This was adopted by the Governors' this fall and forwarded to the Department of Labor. A copy of Governor Carlin's letter to Secretary Brock is attached.

Question: Will the State of Iowa have a large carry-over at the end of this program year? Do these figures conflict with the Department of Labor's figures? If so, why the discrepancy?

Answer: No. Our unspent carry-over money from Title III for the PY '84 period (July 1, 1984 - June 30, 1985) was $190,986, which is less than 10% of the total amount available to Iowa. The GAO estimated our carry-over as $818,000, so there is a significant conflict. The DOL does not close out grants annually, and uses estimated reports. Therefore their figures are often inaccurate. Unfortunately, this misleads Congress and penalized states such as Iowa.

Question: Can you tell us how a reduction in Title III money will affect the State's ability to serve farmers? How does the State plan to deal with this cutback? Do you plan to scale back your services?

Answer: The planned cut of $122 million in Title III funds will mean a loss of about $ one million to Iowa. If this is not adjusted by Congress, or the DOL through the use of the Secretary's reserve account, the State will serve 1,000 - 1,200 fewer clients next year. In addition, the quality of services will drop. More emphasis will be placed upon pre-employment training and job search assistance than on retraining.

We do intend to target about $275,000 of our Title IIA Section 123, (State Education Coordination and Grants) funds to farmer assistance projects. Other than this, we simply will not have the resources to target formula money to farmers. Although farmers will be eligible for the services, they will be in competition with other unemployed workers for JTPA assistance. Some will be enrolled. Many more will not be served.

Question: How closely do you work with the Department of Labor and the local JTPA offices?

Answer: On program compliance issues, we work closely with the Department of Labor. On matters of program design or policy development, there is very little interaction. The Department of Labor has taken a "hands off" approach to this area. This has allowed States greater freedom which is good. However, DOL still must be an active partner in the process of providing leadership, and advocacy for the JTPA programs, and in helping states respond to the demands placed upon them.

With respect to local JTPA offices, we have continuous contacts with them in such areas ranging from financial reporting to staff development and training. Our staff meets with SDA directors on a monthly basis.

Question: Should the Title IIA eligibility requirements be changed?

Answer: Yes. If Title III funds are reduced, then states should have the option of serving more dislocated workers under Title IIA.

Iowa Definition of Dislocated Worker

Dislocated (Displaced) Worker - Any individual who is residing at an address within the State of Iowa at the time of application and:

(a) is terminated or laid-off, is eligible for or has exhausted entitlement to unemployment compensation, and is unlikely to return to the individual's previous industry or occupation; or;
(b) is in receipt of a notice of termination or lay-off from employment, will be entitled to unemployment compensation at the time of lay-off or termination, and is unlikely to return to the individual's previous industry or occupation; or
(c) is terminated, or who has received a notice of termination of employment, as a result of any permanent closure of a plant or facility; or
(d) is long-term unemployed and has limited opportunities for employment or re-employment in the same or a similar occupation in the area in which such individuals reside, including any older individual who may have substantial barriers to employment by reason of age.

Once an individual has been terminated or laid-off from a job, that person is considered to be a dislocated worker from that job until such time as he or she works full-time for eleven (11) consecutive weeks for one employer. For purposes of this definition, full-time is considered to be forty (40) hours per week. If the person is subsequently laid-off or terminated from the second job, that person may be a dislocated worker from that second job. A redetermination of eligibility as a displocated worker from that second job would be necessary.

In the case of a self-employed individual, "terminated, or has received a notice of termination" means probable permanent business dissolution as evidenced by the individual's written declaration and proof of: foreclosure; bankruptcy; filing of bankruptcy; no profit shown during the last twelve months; or inability to secure capital necessary to continue the business operation. Farmers are to be considered self-employed individuals.

STATE OF KANSAS

OFFICE OF THE GOVERNOR
State Capitol
Topeka 66612-1590

John Carlin Governor

November 18, 1985

The Honorable William Brock
Secretary of Labor
United States Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210

Dear Secretary Brock:

Unemployment is a national problem that requires the cooperation of the state and national governments to solve. Of particular concern to the midwestern states is unemployment stemming from the agricultural crisis. The jobless victims of this crisis include workers who build farm implements, employees of local seed dealers and production farmers. Unfortunately, not all of the jobs lost because of the farm crisis can be identified as such. The numbers and scope of the problem are staggering. The states of the midwest need special assistance in dealing with the agricultural unemployment issue.

It is estimated that between 12 and 18 percent of our nation's farms will be forced out of business over the next three years because of financial difficulties. The magnitude of this problem can be clearly demonstrated. The debt-to-asset ratio is the most straightforward indicator of the severe financial stress currently suffered by farmers as a group. Most experts agree that farms with debt-to-asset ratios over 40 percent are vulnerable to the effects of financial stress. The current national debt-to-asset ratio for all farmers is about 32 percent. The problem is most critical in the central region of the United States where the average ratio is more than 38 percent. Younger farmers in the midwest are suffering the hardest. The average debt-to-asset ratio for farmers in the central region of the country between the ages of 45 and 54 is 44.128 percent; for farmers between 35 and 44, it is 56.830 percent; and for farmers under 35, it is 55.100 percent. These younger farmers are facing the most serious economic trouble and, because of their ages, are also the most appropriate candidates for retraining.

In the nation as a whole, over 30 percent of all farmers face a debt-to-asset ratio of over 40 percent. Farmers in this category hold over 60 percent of total farm debt. Due to the high debt concentration in the agricultural sector, 7 to 17 percent of all farm operations will have to be liquidated to service the current outstanding debt. Assuming that some corrective action is taken and debt losses amount to only

$20-$25 billion, between 175,000 and 275,000 jobs will be lost throughout the nation's economy. This further translates into a reduction in the gross national product of $8.6-$13.7 billion by 1989. These statistics were generated by a study jointly prepared by Farm Journal, Food and Agricultural Policy Research Institute (FAPRI) at Iowa State University, FAPRI at University of Missouri and Wharton Econometrics.

Although we hope these gloomy predictions will not become reality, it is clear that the farm crisis is significantly contributing to our unemployment problem. We, as Governors of the Midwestern Governors' Conference, request that you designate $11 million or 20 percent of the JTPA Title III Dislocated Worker Funds reserved by the Secretary to be used by states who design special programs to deal with persons dislocated due to the farm crisis. Given your approval of this request, we Governors of the midwestern states who are a party to this request would proceed on an individual basis to develop individual state proposals to submit for your funding approval from the designated portion of this discretionary fund.

Because of the nature of unemployment statistics, self-employed displaced farmers are not counted as part of the unemployed. Since regular JTPA monies are allocated on the basis of unemployment statistics, agricultural based states do not receive adequate funds to address the needs of this pool of unemployed Americans, while at the same time attempting to serve the increasing numbers of those dislocated due to industrial layoffs.

Many Midwestern states are currently targeting Title III formula funds and state appropriations for dislocated farmers. Those efforts have certainly helped, but the need is greater than the resources presently available. These designated funds that we are requesting would more equitably balance the resources provided those states where a significant portion of the unemployment problem is not reflected by unemployment statistics.

President Reagan has expressed his commitment to assisting our farmers who are losing their farms. The JTPA program is specifically designed to allow states to deal with problems that uniquely affect them; and, as we understand it, the discretionary fund was created to enable the Secretary to target resources to critical areas of need. The designation of a specific portion of the fund for midwestern farmers appears appropriate and necessary.

States are addressing the agricultural unemployment problems in new and creative ways. The problem, of course, is the lack of funds to deliver the services. The Governors of the Midwestern Conference unanimously support the designation of a portion of these discretionary funds as a way for states and the federal government to cooperatively address this issue of national concern.

On behalf of all of the Governors of the Midwestern Governors' Conference, I urge your careful and prompt consideration of this request.

Sincerely,

JOHN CARLIN
Governor

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Mr. **Nielson**. We need to know where you are coming from. I understand that Iowa has been on the cutting edge with this program. I encourage you to stay in the forefront and any inference that Minnesota got ahead of you because they got $1 million and you only got $500,000, don't let that stop you.

Mr. **Philip Smith**. Well, we are just getting prepared for the Iowa-Minnesota football game.

Mr. **Nielson**. I see. I have an interesting game in my home community, BYU. They are playing the Air Force Academy tomorrow. It should be a good game.

Let me ask the JTPA administrators, how many farmers come to you for help at JTPA? Can you give me a number, say in the last 6 months?

Mr. **Woodward**. I think it is—people that actually meet the definition?

Mr. **Nielson**. No. No, those that apply.

Mr. **Woodward**. OK. I would say——

Mr. **Nielson**. Fifty probably?

Mr. **Woodward**. Fifty.

Mr. **Nielson**. Mr. Smith.

Mr. **Jerry Smith**. In the past 6 months, we have not had a lot. Last spring when Mr. Broich entered our program at Creston, we received approximately 170 inquiries.

Mr. **Nielson**. 170.

Mr. **Epperson**. Farmers who come to us are only a handful, half a dozen.

Mr. **Nielson**. Of those who do come, what percentage can you help of those who meet the requirements, 50 percent, 20?

Mr. **Woodward**. Ten percent.

Mr. **Epperson**. The ones who come to us, basically 100 percent. They basically made their decision so we can serve them. Those who have not made the decision are the problem.

Mr. **Nielson**. Mr. Woodward made the suggestion that you use the 1-year expense picture to get a better picture, since over the last year or 6 months, farmers may have had a good 6 months and very bad last 6 months.

You mentioned the case where the last 6 months are good, but the whole year is bad. It could be the other way around.

Shouldn't there be a way to look at the total year and the last 6 months and consider both so that if you qualify under either one, you would then qualify for JTPA? Would that be a fairer measure?

Mr. **Frank**. The court reporter is not going to get the head nods.

Mr. **Jerry Smith**. Oh, OK. I would say that an either/or situation would be very valuable.

Mr. **Nielson**. I can see a case where you get a good 6-month period but over a year, it is pretty bad.

There was a suggestion made earlier about allowing farmers to start being eligible when the debt-to-asset ratio becomes dangerous. How do you feel about that?

Mr. **Woodward**. I am not sure how that would work. Mr. Epperson knows more about that than I, or at what point you reach, 40, 45 or whatever, are you finished, and is there any way you can get out of that. I don't know that really.

Mr. **Nielson**. You mentioned you help about 10 percent, Mr. Woodward. What do you do with those you can't help?

Mr. **Woodward**. The 10 percent I talked about were the 10 percent eligible.

Mr. **Nielson**. What do you do with the 90 percent? What suggestions do you have?

Mr. **Woodward**. If they have not been to the extension service, one would—they have a program called Assist at Iowa State Extension Service, and so referrals to other agencies are made.

Mr. **Nielson**. Have any of you discussed the idea of changing the program with Phil Smith or the Governor's office on a program level?

Mr. **Woodward**. Yes.

Mr. **Jerry Smith**. I would say that we, the office—they have been working very closely with us during the past 6 months especially, as we have identified problems and they are trying to respond to the problems, yes.

Mr. **Nielson**. Are you ever able to offer training services to the spouse of the farmer?

Mr. **Epperson**. You bet.

Mr. **Nielson**. You have worked with the program.

Mr. **Epperson**. We have served more wives than farmers.

Mr. **Woodward**. That is true with us, too.

Mr. **Nielson**. What is the criteria for the spouse? Could they come in on their own even, to get training for a job just to supplement the farm income in general, she could get a——

Mr. **Woodward**. Criteria is for the family, not the individual.

Mr. **Nielson**. So it is a family, and not an individual thing.

I have a lot of other questions, but I will return the time to the chairman, and I appreciate the opportunity.

We in the minority don't usually preside, but when we do, it is only a moment or two. I came to this Congress and had been the majority leader of the Utah House, and also speaker and I loved to wield that gavel.

Mr. **Frank** [presiding]. Well, I have no further questions.

I appreciate your being here.

Our final witness is Mr. Fred Romero, Administrator, Office of Strategic Planning and Policy Development, Employment and Training Administration, U.S. Department of Labor.

STATEMENT OF FRED ROMERO, ADMINISTRATOR, OFFICE OF STRATEGIC PLANNING AND POLICY DEVELOPMENT, EMPLOYMENT AND TRAINING ADMINISTRATION, U.S. DEPARTMENT OF LABOR

Mr. **Romero**. Thank you, Mr. Chairman.

Mr. **Frank**. We appreciate your joining us.

We think it is relevant for both members of the legislative branch and the executive branch to be from time to time in other parts of the country than Washington. We realize you agree with us on that, and we appreciate your attending.

Please proceed.

Mr. **Romero**. Thank you very much, Mr. Chairman and members of the subcommittee.

I will highlight the prepared text that I have, and with your permission, submit the full text.

Deputy Assistant Secretary Roberts Jones recently testified before your subcommittee and described the types of programs we have which are available to assist displaced workers in general. The programs he mentioned included unemployment compensation, the employment service and of course the Job Training Partnership Act, specifically title III of JTPA. It is the latter program that is the focus of today's hearing.

The title III JTPA Dislocated Worker Program is State operated and addresses the reemployment needs of all categories of dislocated workers. Dislocated workers are provided training, job search, and relocation assistance and other supportive services. Under title III, 75 percent of the Federal funds are allocated to the States on a formula basis. States design and operate their own programs to respond to the individual needs and labor market within their States.

The remaining 25 percent of the title III funds is distributed by the Secretary of Labor to States with critical unemployment problems and large pockets of worker dislocation. States submit proposals to the Department of Labor for these funds, and we review them and approve or disapprove them. In determining which proposals to fund, we consider the severity of need, the availability of title III formula funds to address the problem, and the availability of other resources. In addition, we look at the soundness and specificity of the retraining and other services that are designed to lead to new jobs for these workers.

In short, we look for the strategy for positive adjustment of these impacted workers and farmers.

It has been mentioned here that when JTPA was enacted in 1982, a target group of dislocated farmers in need of services was not envisioned. Therefore, the act and the legislative history are silent on whether dislocated farm workers and those displaced from related agricultural industries are to be included under title III dislocated worker programs.

Despite the absence of specific language to include farmers, discretionary projects to assist farmers have been funded from the earliest days of the title III program. However, while some States, and Iowa is among them, were interpreting JTPA so that those displaced from farms were eligible for participation in title III programs, other States were unclear as to whether they had the authority to make this critical decision.

As a result of numerous inquiries we have been receiving on the matter and congressional interest to have dislocated workers on farms and the agricultural economy included under the broad definition of dislocated workers under JTPA, the Employment and Training Administration issued a notice clarifying that dislocated farmers could indeed be served under title III.

We have furnished to the subcommittee a list of all proposals received and projects funded since the inception of JTPA that relate to farmers. I note that Iowa, and Mr. Smith has so indicated, recently received $500,000 for a proposal which they submitted to the Secretary for funding out of the national reserve fund.

Mr. Chairman, I assure you that we are sensitive and concerned about the plight of displaced farmers and others dislocated in the agriculture economy, as a part of the larger dislocated worker problem.

I am particularly interested in hearing ideas and suggestions of those who will testify and have testified, and as a matter of fact, I have learned a lot at this hearing already.

I will be glad to answer or attempt to answer any questions you may have.

Mr. Frank. Thank you very much, Mr. Romero. We appreciate it.

[The prepared statement of Mr. Romero follows:]

STATEMENT OF
FRED E. ROMERO
ADMINISTRATOR, OFFICE OF STRATEGIC PLANNING
AND POLICY DEVELOPMENT
EMPLOYMENT AND TRAINING ADMINISTRATION
DEPARTMENT OF LABOR
BEFORE THE
EMPLOYMENT AND HOUSING SUBCOMMITTEE
HOUSE GOVERNMENT OPERATIONS COMMITTEE

November 15, 1985

Mr. Chairman and Members of the Subcommittee:

I appreciate the opportunity to be here in Council Bluffs with you this morning to discuss the ways in which farmers are being assisted under the Job Training Partnership Act (JTPA).

This country now has more than 3 million farmers. They are the vital first step in the chain of the American agricultural system, which currently comprises nearly 20 percent of the Nation's gross national product. In recent years, many farmers and others in the agriculture system have encountered difficult times, with some farmers losing their farms and their employees being laid off and forced to look for other types of jobs.

Others are more qualified than I to discuss the causes of and long-term cures for this situation. The Department of Labor does administer programs which can provide immediate help to some of those who have lost their jobs or source of income in the agricultural sector.

Deputy Assistant Secretary Roberts T. Jones recently testified before your Subcommittee, and described the types of programs we have which are available to assist displaced workers in general. These include unemployment compensation, the employment service, and the Dislocated Worker Program authorized under Title III of JTPA. It is the latter program that is the focus of today's hearing.

The Title III JTPA Dislocated Worker Program is State operated and addresses the reemployment needs of all categories of dislocated workers. Dislocated workers are provided training, job search and relocation assistance and other supportive services. Under Title III, 75 percent of the Federal funds are allocated to the States on a formula basis. States design and operate their own programs to respond to the individual needs and labor market within their States.

Iowa has received $1.7 million for the Program Year which ends in June, 1986. The State is providing an equal amount of matching funds. My colleague from the State of Iowa can address how those funds are being utilized.

The remaining 25 percent of the Title III funds is distributed by the Secretary of Labor to States with critical unemployment problems and large pockets of worker dislocation. States submit proposals to the Department of Labor for these funds.

In determining which proposals to fund, we consider the severity of need, the availability of Title III formula funds to address the problem, and the availability of other resources. In addition, we look at the soundness and specificity of the retraining and other services that are designed to lead to new jobs for these workers.

When JTPA was enacted in 1982, a target group of dislocated farmers in need of services was not envisioned. Therefore, the Act and the legislative history are silent on whether dislocated farm workers and those displaced from related agricultural industries are to be included under Title III dislocated worker programs. As indicated in the material submitted to the Subcommittee, discretionary projects to assist farmers have been funded from the earliest days of the Title III program. However, while some States, Iowa among them, were interpreting JTPA so that those displaced from farms were eligible to participate in Title III programs, other States were unclear as to whether they had the authority to make this decision. As a result of the numerous inquiries we have been receiving on this matter, and congressional interest expressing a desire to have workers dislocated from farms and the agricultural economy included under the broad definition of "dislocated workers" in JTPA, the Employment and Training Administration

(ETA) on April 26, 1985 issued a notice clarifying that dislocated farmers could indeed be served under Title III.

We have furnished to the Subcommittee a list of all proposals received and projects funded since the inception of JTPA that relate to farmers. I note that Iowa has recently received $500,000 from the Secretary's national reserve fund to provide training and employment services to dislocated farmers and their families forced out of farming due to foreclosure, bankruptcy, or inability to raise capital. We are continuing to consider new proposals as we receive them from the States.

Mr. Chairman, I assure you that we are sensitive to and concerned about the plight of displaced farmers, and others dislocated in the agriculture economy, as a part of the larger dislocated worker problem. I am particularly interested in hearing the ideas and suggestions of those who will testify at this hearing on how JTPA is being and can be better utilized to serve this segment of the dislocated worker population.

I will be glad to answer any questions you may have.

Mr. **Frank**. We will open the questioning with Mr. Lightfoot.

Mr. **Lightfoot**. Thank you, Mr. Chairman.

Mr. Romero, reflecting back to the testimony we have had, you mentioned you picked up some ideas from what you had heard. Is the Department of Labor in a position to move quickly on some of these ideas you heard today, or are we going to get tied up in a big, long, drawn-out process?

Where are you coming from in that particular aspect?

Mr. **Romero**. One of the particular ideas I heard from Mr. Phil Smith was, I think, quite in order and it would help to elevate the discussion on the plight of farmers, dislocated farmers. That would be to create this group and discuss the problems and the way JTPA can deal with the problem. I think that is the proper step to take.

I think the Assistant Secretary would be happy to meet with this group and discuss the problems and ways to solve them.

Mr. **Lightfoot**. Would you be conducive to bringing USDA in because they have expertise in this area as well?

Mr. **Romero**. I think it would be most appropriate, yes.

Mr. **Lightfoot**. In terms of money, we heard that mentioned several times, the Senate and House both passed bills for a $122 million reduction in title III. How could that be helpful to farmers if there are not enough dollars in the program to serve the eligible population now? What can we do to change that situation?

Mr. **Romero**. Well, let me review for you what our figures show with respect to the availability of funds for program year 1985, which is July 1 this year through June 30, 1986.

We had at the beginning of the 1984 program year a total of $343 million in the system. $185 million of this was carried from program year 1984, brought in; and then a total of $222.5 million was added to that that gave us approximately $407 million for program year 1985.

In addition, as I surveyed the distributions and expenditure rates, and so on down the line, I looked at how many States would expend their allotments for the program year and how much they would have available for the succeeding program year.

If our calculations are correct, 52 out of the total 57 States and trust territories would have in excess of 20 percent—if spending continues at the rate they are spending now—would have an excess of 20 percent of the funds to carry forward to the next program year.

Five States are spending the dollars, and would run short actually. Iowa—I hate to disagree with my colleague, but our records show at the moment Iowa has about $2.5 million unexpended. This is in addition to the $500,000 awarded just recently.

Iowa is not included among those five States, and I could be wrong on that.

Mr. **Lightfoot**. If I understand correctly, the Secretary has the ability to reallocate title III funds. Do you think he would be willing to shift some of these into the agriculture areas?

Mr. **Romero**. Unfortunately, he does not have the ability to reallocate the title III funds. He has the ability to fund out of the national discretionary account in responding to proposals submitted by the States.

Mr. **Lightfoot**. We understand the regulations differently. It indicates here:

> The Secretary may reallocate title III allotments if the Secretary determines the State will be unable to obligate the amount within 1 year of the allotment.

Our information may be incorrect.

One other area that I think we may need some improvement is again from earlier testimony. It appears when something is turned down, the possibility of not getting a timely answer as to the rejection of the proposal is a very real problem. Do you have any suggestions about how we can improve that process?

Mr. **Romero**. I would apologize for the Department if they are not receiving a timely response on rejections. It is our intent, not only to review each decision on a proposal submitted, but to do so within 60 days of submittal.

To my knowledge, the average response rate now is around 45 to 46, 47 days. If they have not received notice, I am prepared to deal with it.

Mr. **Lightfoot**. Regarding my questions about reallocating money among States, the staff has handed me the statute:

> The Secretary is authorized to reallocate any amount of any allotment to a State to the extent the Secretary determines the State will not be able to obligate such amount within one year of allotment.

So according to this, apparently he does have the authority.

I guess I won't belabor that point, but is some of the problem identifying where we need to go with the money? I think it has been pointed out here that relying on unemployment statistics is inaccurate as far as trying to determine the situation with dislocated farmers.

The last thing we want to do is have you burden us with another regulation, but it seems we have a problem of determining the allocation of money because we don't have an accurate method of determining who needs it.

Is that a valid assessment?

Mr. **Romero**. It looks like we have an allocation formula problem. As far as farmers are concerned, that is. The labor force is oriented such that all three factors in the formula relate to unemployment measures. The question of when the farmer is unemployed is obviously a major one because that is the whole issue of defining if a farmer is eligible, part of it lies in when he becomes unemployed.

So it is possible that the current population survey is not picking up accurate statistics on the farmers' situation because they don't declare themselves available for work—excuse me—they do declare themselves available for work in the sense they are already employed. So they are not counted as unemployed even though they are hurting.

Mr. **Lightfoot**. I notice the Job Service people are here and I am sure they can quickly tell us where we stand as far as traditional-type workers.

Mr. **Frank**. Why don't we bring them forward, if you wish.

Mr. **Lightfoot**. Would any of you folks like to add to this?

STATEMENT OF MAX GOODVIN, JOB SERVICE, COUNCIL BLUFFS, IA

Mr. Goodvin. I work for Job Service in this area.

Mr. Frank. Why don't you come forward. We have a very good court reporter over here if you would just come forward so we can all hear you.

Thank you for coming forward. Please identify yourself.

STATEMENT OF RICHARD MISKIMINS, EMPLOYMENT AND TRAINING ADMINISTRATION REGIONAL OFFICE, KANSAS CITY, KS

Mr. Miskimins. I am Richard Miskimins from the ETA regional office in Kansas City.

Mr. Goodvin. I am Max Goodvin. I work for Job Service here in Council Bluffs.

Mr. Lightfoot. I guess you know what the situation is and where we are coming from. Can you go to your files and determine exactly who has left a job and is looking for a job now? It appears, I guess to reiterate the problem with the allocation, the problem is in coming up with a way to determine how many people are out there that will need help. You work with this on a day-to-day basis. What suggestions do you have? Are farmers coming in to see you?

Mr. Goodvin. Yes, we are having more farmers coming in all the time. You know, a year ago we started seeing an increase, or maybe 2 years ago, and the months slip by and each month brings more in.

I have to agree with the gentleman here, I think we are going to have a lot more in the year to come the way it looks.

Mr. Frank. Let the record show that he was indicating Mr. Broich.

Mr. Goodvin. Yes, the gentleman that said there would be more. The last period of time I can recall in the eight counties in southwest Iowa, I think our labor force is about 90,000, and we had over 20,000 individuals complete applications for work in our offices in those 8 counties during that 12-month period which indicates that there are an awful lot of people out there who maybe are not totally unemployed but are seeking either a second job or an additional job. I think most of the farm population we see who come in are still on the farm and trying to find a job to supplement their income.

Mr. Frank. If the gentleman will yield; from the statistical standpoint, we mentioned some of those seeking jobs would be spouses of farmers. If they had not previously been in the labor force, they would not be counted unemployed. Is that part of the problem?

If you had people who had applied, say, wives of farmers who were not previously working or had not been for sometime, they would not show up in the unemployment statistics, am I correct, if they had never been employed?

Mr. Goodvin. I don't think I can answer that.

Mr. Miskimins. You are correct.

Mr. Frank. They would not show up. That is one way you could have a paradox of a low unemployment figure and a lot of people looking for work because spouses who had not previously looked for jobs don't show up in the figures.

Mr. **Miskimins**. That is right.

Mr. **Lightfoot**. Thank you very much, Mr. Chairman. I think that is a valid point.

Carrying that one step further, with the situation that we are moving into, would that not be a logical source to look for some of these people? If someone comes in, as the chairman suggested, who has not had a job in the past, a paycheck-type job, put it that way, that that individual—then we can carry that one step further and advise that particular situation and work that into the formula possibly, as we were talking with Dr. Romero and determine how many people are out there. Perhaps you folks can even advertise on that.

Mr. **Goodvin**. We have a lot of statistics. I don't know if we would have just what we need, but we do like I said, have a large portion of our labor force out there that are putting in applications for work, far more than what the unemployment rate—well, the unemployment rate in our area, I think last year, was about 8 percent, 7.8 or 8 percent in this corner of the State and 7.8 percent of our total labor force is not 20,000 people. That is approximate.

That falls far short of the 20,000 that came in to see us, but what that says is there are a lot of people out there that are maybe underemployed or still on the farm seeking other second jobs or a different job, a better paying job.

Mr. **Lightfoot**. I guess where I am coming from, you know, I walked into this job off the street and I am not used to long bureaucratic delays. I like to see things happen, but we are trying to find a point where we could rapidly start to identify these people and it appears on the surface at least that you folks are in a position to do that.

Mr. **Goodvin**. We see a lot of that. We are one of the first places they come because we have been there a long time and they know about us.

Mr. **Nielson**. Will the gentleman yield?

Mr. **Lightfoot**. Sure.

Mr. **Nielson**. Do you refer these people to JTPA?

Mr. **Goodvin**. Yes, we do.

Mr. **Nielson**. Do you attempt to determine whether they are eligible before you refer them?

Mr. **Goodvin**. No, not really. If they appear to be—we don't get down and determine the income levels and so on. If they appear that they are—if there is any possibility at all, we refer them to JTPA.

Mr. **Nielson**. Do you think you should screen them so that they don't get discouraged twice?

Mr. **Goodvin**. Well, we are in a situation where those 20,000-plus people, there is just not enough time in a lot of cases.

Mr. **Nielson**. Are you worried about the merger of JTPA with ETA to take care of Job Services through that merged program?

Mr. **Goodvin**. Not really.

Mr. **Nielson**. OK.

Mr. **Frank**. If the gentleman will yield, to coattail on that, Mr. Nielson made a very good point about discouraging people too often. I hope at least you warn people that they may not be eligible because people coming to your office are told no and then they go to JTPA and being told no a second time. That is devastating. I hope at the least you say, "I don't know if you are eligible," and prepare them for whatever may happen.

We ran into this with Mr. Broich and Mr. Knutson mentioned it, the problem of discouragement. Psychological debilitation is a problem and you don't want to add to that obviously in any way.

I think it's your time.

Mr. **Lightfoot**. No, that's fine. Go ahead. You are making good points.

Mr. **Nielson**. I would like to ask the gentleman from the Labor Department, Dr. Romero, I don't know if you have been here the whole day or not, but there was discussion of how the law could be changed. It was originally set up to deal with smokestack industries primarily and now there is a suggestion that Iowa and other States are using it for agricultural workers, and you have indicated after studies that that is appropriate.

What have you done to encourage other agricultural States to follow Iowa's lead? Are you actually——

Mr. **Romero**. Other than seeking clarification, initial clarification on whether or not dislocated persons should be accommodated——

Mr. **Nielson**. You issued the clarification after they brought it to your attention. Have you brought that clarification to the attention of other people in the agriculture sector?

Mr. **Romero**. No, sir.

Mr. **Nielson**. Why not?

Mr. **Romero**. Because the act allows a lot of flexibility in terms of establishing practices——

Mr. **Nielson**. Bring the mike up close, if you would, Mr. Romero.

Mr. **Romero**. For identifying substantial groups of eligible folks, it allows that discretion to the States. Those procedures are structured around three groups of people, those receiving unemployment insurance or those who exhausted their unemployment, and those terminated from plants and those long-term unemployed who are unlikely to return to their industry or occupation.

It is around that one that these folks have structured a definition for dislocated farmers.

Mr. **Nielson**. I understand that, but what role do you think JTPA should have in regard to farmers? Should it be the primary tool to help farmers?

Mr. **Romero**. I think it should be, yes, indeed, and it is now.

Mr. **Nielson**. Does there have to be legislative changes to give priority to the farmers in this area where they were not considered initially?

Mr. **Romero**. I think that the legislation that exists now on the books is flexible enough to accommodate these farmers.

Mr. **Nielson**. It would be adequate provided it was well enough understood. Most people think of JTPA as industry targeted, like for downtown Cleveland or a steel plant somewhere, and they don't think of it as being applicable to a farmer in Iowa. Why don't we rewrite the legislation or at least put out guidelines so people know its useful for any misplaced or displaced worker?

Mr. **Romero.** I would prefer the suggestion Mr. Smith has presented to you folks and that is that a task group could be formed to give visibility to the problem, and to me that is a good way of marketing the program to the needy farmers.

Mr. **Nielson.** What about the suggestion earlier that most displaced workers have some kind of unemployment compensation for 18 months or that they have some financial help while in retraining, whereas the farmer has to wait until he is bankrupt before he qualifies? What can be done to alleviate that?

We have to give him a chance to get training rather than take any old job to put bread on the table. We want to train him for better work.

Mr. **Romero.** That aspect of it would require new legislation to deal with that problem.

Mr. **Nielson.** Do you think there would be a possibility of merging the Trade Adjustment Act, TAA, into the JTPA for that purpose?

I know that is a sticky question.

Mr. **Romero.** The President has already stated a position with respect to the Trade Adjustment Act.

Mr. **Nielson.** We will change his mind.

Mr. **Frank.** The administration just announced both continuation of the trade adjustment assistance——

Mr. **Nielson.** I was able to get it through the Ways and Means last year, and I will try again, but I think the President is wrong on that issue. I think he will be overridden if he tries to change that.

Mr. **Frank.** I think so, too.

Mr. **Nielson.** So policies aside, do you think it is appropriate to provide readjustment assistance for these people because of the fact that they have no financial means in that situation?

Mr. **Romero.** I'm sorry, Congressman, I can't comment on that.

Mr. **Nielson.** You would rather not.

Mr. **Romero.** I would rather not.

Mr. **Nielson.** We have asked the DOL for a breakdown of State carryovers of title III funds, we have not yet received that. We asked for it several days ago. It was due Tuesday of this week. It has not arrived. Will you get that to us?

Mr. **Romero.** Yes, sir; I will.

Mr. **Nielson.** As soon as possible. There seems to be a discrepancy between Iowa's records and your records of how much title III funds were left over.

[The information requested follows:]

BEST COPY AVAILABLE

REPORT NO: OSR-VIII

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS (PART I)
JTPA-DISLOCATED WORKERS FY 83/84 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	OBLIGATIONAL AUTHORITY	EXPENDITURES	% OF OBLIG	TRAINING EXPENDITURES	% OF TOTAL EXPEND	SUPPORT EXPENDITURES	% OF TOTAL EXPEND	ADMIN EXPENDITURES	% OF TOTAL EXPEND
CONNECTICUT	1,651,906	1,408,327	85.3	1,106,771	78.6	75,383	5.4	226,173	16.1
MAINE	1,980,467	568,881	28.7	432,147	76.0	44,267	7.8	92,467	16.3
MASSACHUSETTS	6,391,613	2,228,230	34.9	1,261,175	56.6	473,640	21.3	493,415	22.1
NEW HAMPSHIRE	1,050,008	331,352	31.5	242,206	73.1	26,955	8.1	62,191	18.8
RHODE ISLAND	1,512,598	864,848	57.2	661,429	76.5	70,190	8.1	133,229	15.4
VERMONT	281,550	212,954	75.6	195,218	91.7	1,817	.9	15,919	7.5
REGIONAL TOTAL 01	12,868,948	5,614,592	43.6	3,898,946	69.4	692,252	12.3	1,023,394	18.2
NEW JERSEY	9,452,677	4,173,665	44.2	2,574,411	61.7	107,213	2.6	1,492,041	35.7
NEW YORK	22,649,519	6,998,014	30.9	5,592,592	79.9	505,243	7.2	900,179	12.9
PUERTO RICO	5,899,579	2,532,460	42.9	1,733,551	68.5	320,870	12.7	478,039	18.9
* VIRGIN ISLANDS	305,146	78,474	25.7	45,151	57.5	10,299	13.1	23,024	29.3
REGIONAL TOTAL 02	38,306,921	13,782,623	36.0	9,945,705	72.2	943,633	6.8	2,893,285	21.0
DELAWARE	443,520	198,519	44.8	143,128	72.1	69	.0	55,322	27.9

(*) INDICATES MISSING DATA.

REPORT NO: QSR-VIII

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS (PART I)
JTPA-DISLOCATED WORKERS FY 84/85 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-CONTINUED

	OBLIGATIONAL AUTHORITY	EXPENDITURES	% OF OBLIG	TRAINING EXPENDITURES	% OF TOTAL EXPEND	SUPPORT EXPENDITURES	% OF TOTAL EXPEND	ADMIN EXPENDITURES	% OF TOTAL EXPEND
DIST. OF COL.	1,197,650	588,544	49.1 *	525,717	89.3	6,266	1.1	55,561	9.5
MARYLAND	5,401,141	2,920,775	54.1	2,292,111	78.5	226,059	7.7	402,152	13.8
PENNSYLVANIA	21,733,520	6,979,567	32.1	6,010,574	86.1	181,477	2.6	786,514	11.3
VIRGINIA	4,110,030	2,650,907	64.5	1,821,784	68.7	346,020	13.1	482,290	18.2
WEST VIRGINIA	3,002,635	1,882,540	62.7 *	1,326,720	70.5	303,000	16.1	251,098	13.3
REGIONAL TOTAL III	36,380,813	15,219,380	41.8	12,120,415	79.6	1,066,715	7.0	2,016,250	13.2
ALABAMA	8,538,267	4,670,063	54.7	2,890,538	61.9	1,037,002	22.2	742,526	15.9
FLORIDA	9,357,600	1,058,071	11.3 *	1,058,071	100.0	0	.0	0	.0
GEORGIA	5,019,506	2,246,094	44.7	1,851,749	82.4	62,936	2.8	329,037	14.7
KENTUCKY	5,025,308	1,331,755	23.1	1,041,500	78.6	26,401	2.0	239,114	17.9
MISSISSIPPI	2,654,420	2,156,702	81.2	1,696,117	78.6	81,971	3.8	378,614	17.6
NORTH CAROLINA	8,602,835	5,310,275	61.7	4,315,231	81.3	235,303	4.4	720,761	13.6
SOUTH CAROLINA	5,558,814	3,028,631	54.5	1,894,762	62.5	629,675	20.8	505,200	16.7

(*) INDICATES MISSING DATA.

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REPORT NO: USR-XIII

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS (PART I)
JTPA-DISLOCATED WORKERS BY STATE GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	OBLIGATIONAL AUTHORITY	EXPENDITURES	% OF OBLIG	TRAINING EXPENDITURES	% OF TOTAL EXPEND	SUPPORT EXPENDITURES	% OF TOTAL EXPEND	ADMIN EXPENDITURES	% OF TOTAL EXPEND
TENNESSEE	7,770,357	2,153,993	27.7	1,771,924	82.3	24,868	1.2	357,201	16.6
REGIONAL TOTAL 04	52,119,120	22,802,712	43.8	17,415,634	76.4	2,112,874	9.3	3,274,204	14.4
ILLINOIS	19,194,562	11,766,359	61.3	8,808,824	74.9	556,671	4.7	2,400,864	20.4
INDIANA	12,889,731	6,304,251	48.9	5,375,048	85.3	99,765	1.6	829,438	13.2
MICHIGAN	25,378,889	14,132,854	55.7	10,237,687	72.4	427,550	3.0	3,467,617	24.5
MINNESOTA	5,975,563	2,762,569	46.2	2,179,680	78.9	270,072	9.8	312,817	11.3
OHIO	23,870,307	10,196,850	42.7	7,932,887	77.8	878,304	8.6	1,385,659	13.6
WISCONSIN	6,516,513	5,003,833	76.8	4,208,376	84.1	147,726	3.0	647,731	12.9
REGIONAL TOTAL 05	93,825,565	50,166,716	53.5	38,747,117	77.2	2,378,468	4.7	9,038,826	18.0
ARKANSAS	3,180,414	1,255,157	39.5	1,044,478	83.2	30,436	2.4	180,243	14.4
LOUISIANA	4,960,873	1,829,717	36.9	1,583,127	86.5	52,452	2.9	194,138	10.6
NEW MEXICO	2,433,171	757,519	31.1	472,789	62.4	118,271	15.6	166,459	22.0
OKLAHOMA	2,005,360	1,095,677	54.6	856,149	78.2	75,921	6.9	163,551	14.9

*** INDICATES MISSING DATA.

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REPORT NO: USR-9111

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS (PART 1)
JTPA-DISLOCATED WORKERS BY 83/84 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	OBLIGATIONAL AUTHORITY	EXPENDITURES	% OF OBLIG	TRAINING EXPENDITURES	% OF TOTAL EXPEND	SUPPORT EXPENDITURES	% OF TOTAL EXPEND	ADMIN EXPENDITURES	% OF TOTAL EXPEND
TEXAS	16,045,504	8,230,654	51.3	5,371,277	65.2	1,846,222	22.4	1,023,155	12.4
REGIONAL TOTAL 06	28,610,051	13,176,814	46.1	9,328,155	70.8	2,121,300	16.1	1,727,351	13.1
IOWA	2,564,245	1,707,114	66.6	1,351,605	79.2	93,580	5.5	261,929	15.3
KANSAS	2,892,075	1,083,912	37.5	843,715	77.8	55,645	5.1	184,552	17.0
MISSOURI	3,696,939	3,002,000	81.2*	2,706,937	90.2	58,456	1.9	236,616	7.9
NEBRASKA	943,109	875,117	92.8	763,725	87.3	28,102	3.2	83,290	9.5
REGIONAL TOTAL 07	10,096,368	6,668,152	66.0	5,665,987	85.0	235,783	3.5	766,387	11.5
COLORADO	3,070,422	622,117	20.3	392,372	63.1	61,914	10.0	167,831	27.0
MONTANA	1,674,676	917,280	54.8	742,152	80.9	80,028	8.7	95,100	10.4
NORTH DAKOTA	304,662	217,873	71.5	177,500	81.5	3,195	1.5	37,178	17.1
SOUTH DAKOTA	370,918	240,497	64.8	230,778	96.0	612	.3	9,107	3.8
UTAH	6,560,175	1,351,484	20.6	1,056,730	78.1	134,091	10.0	161,867	12.0
WYOMING	163,660	142,002	86.8	122,940	86.6	5,100	3.6	13,960	9.8

(*) INDICATES MISSING DATA.

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QUARTERLY STATUS REPORT: PROGRAM ANALYSIS (PART I)
JTPA-DISLOCATED WORKERS FY 83/84 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	OBLIGATIONAL AUTHORITY	EXPENDITURES	% OF OBLIG	TRAINING EXPENDITURES	% OF TOTAL EXPEND	SUPPORT EXPENDITURES	% OF TOTAL EXPEND	ADMIN EXPENDITURES	% OF TOTAL EXPEND
REGIONAL TOTAL 08	12,284,663	3,493,257	28.4	2,722,480	77.9	285,746	8.2	485,031	13.9
ARIZONA	3,933,559	2,964,348	75.4	2,273,208	76.7	151,660	5.1	539,480	18.2
CALIFORNIA	34,296,191	15,223,142	44.4	11,584,758	76.1	613,864	4.0	3,024,520	19.9
HAWAII	526,758	303,823	57.7	269,249	88.6	1,309	.4	33,265	10.9
* NEVADA	1,208,237	658,608	54.5	604,060	91.7	9,281	1.4	45,267	6.9
* AMER. SAMOA	37,090	0	.0	0	.0	0	.0	0	.0
GUAM	620,092	0	.0	0	.0	0	.0	0	.0
N. MARIANAS	15,764	0	.0	0	.0	0	.0	0	.0
* TRUST TERR.	161,974	0	.0*	0	.0	0	.0	0	.0
REGIONAL TOTAL 09	40,802,475	19,149,921	46.9	14,731,275	76.9	776,114	4.1	3,642,532	19.0
ALASKA	1,061,075	284,286	26.8	256,689	90.3	3,000	1.1	24,597	8.7
IDAHO	1,514,049	760,261	50.2	599,157	78.8	37,844	5.0	123,260	16.2
OREGON	6,845,291	3,526,268	51.5	3,247,341	92.1	9,177	.3	269,750	7.6

(*) INDICATES MISSING DATA.

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REPORT NO: QSR-VIII

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS (PART I)
JTPA-DISLOCATED WORKERS PY 83/84 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	OBLIGATIONAL AUTHORITY	EXPENDITURES	% OF OBLIG	TRAINING EXPENDITURES	% OF TOTAL EXPEND	SUPPORT EXPENDITURES	% OF TOTAL EXPEND	ADMIN EXPENDITURES	% OF TOTAL EXPEND
WASHINGTON	8,376,060	4,322,446	51.6	3,099,515	71.7	243,204	5.6	979,627	22.7
REGIONAL TOTAL 10	17,796,475	8,893,761	50.0	7,202,722	81.0	293,305	3.3	1,397,234	15.7
NATIONAL TOTAL	343,467,491	158,965,430	46.3	121,770,758	76.6	10,904,198	6.9	26,282,474	16.5

(*) INDICATES MISSING DATA.

REPORT NO: OSR-III

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS
JTPA-DISLOCATED WORKERS FY83/84 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	TOTAL SERVED	COST PER SERVED	TOTAL TERMS	COST PER TERMINATIONS	CURRENT ENROLLMENT	TOTAL EXPENDITURES
CT	839	1,679	649	2,170	190	1,408,327
ME	576	980	415	1,371	161	560,081
MA	3,904	559	3,013	740	971	2,220,230
NH	412	806	315	1,052	97	331,352
RI	462	1,072	439	1,970	23	864,660
VT	170	1,253	121	1,760	69	212,954
REGIONAL TOTAL 01	6,443	871	4,952	1,134	1,491	5,614,592
NJ	9,350	446	4,845	861	4,513	4,173,665
NY	1,981	3,533	801	8,737	1,180	6,998,016
PR	700	3,610	497	5,096	203	2,532,460
VI *	43	1,825	19	4,130	24	78,476
REGIONAL TOTAL 02	12,082	1,141	6,162	2,237	5,920	13,782,625
DE	772	257	354	561	418	198,539
DC	605	858	605	858	0	580,046

(*) INDICATES MISSING DATA, PREVIOUS PERIOD DATA SUBSTITUTED

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REPORT NO: OSN-XII

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS
JTPA-DISLOCATED WORKERS FY83/84 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	TOTAL SERVED	COST PER SERVED	TOTAL TERMS	COST PER TERMINATIONS	CURRENT ENROLLMENT	TOTAL EXPENDITURES
MD	3,730	783	2,787	1,048	943	2,920,775
PA	8,767	796	4,269	1,635	4,498	6,978,567
VA	7,082	374	5,860	452	1,222	2,648,907
WV	1,269	1,483	656	2,870	613	1,882,548
REGIONAL TOTAL 03	22,305	682	14,611	1,042	7,694	15,219,380
AL	3,001	1,556	2,064	2,263	937	4,670,862
FL	2,041	720	1,174	1,251	867	1,468,871
GA	975	2,304	664	3,383	311	2,246,094
KY	2,839	483	1,152	1,190	1,687	1,371,404
MS	2,908	742	2,128	1,013	780	2,156,702
NC	8,675	658	3,776	1,512	4,899	5,710,275
SC	5,825	519	3,115	971	2,710	3,024,611
TN	2,375	907	1,422	1,514	953	2,153,001
REGIONAL TOTAL 04	28,539	799	15,495	1,472	13,044	22,802,712

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REPORT NO: OSW-XII

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS
JTPA-DISLOCATED WORKERS FY83/84 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	TOTAL SERVED	COST PER SERVED	TOTAL TERMS	COST PER TERMINATIONS	CURRENT ENROLLMENT	TOTAL EXPENDITURES
IL	14,789	796	7,051	1,669	7,738	11,766,359
IN	7,753	813	5,412	1,165	2,341	6,304,251
MI	8,480	1,667	5,407	2,614	3,073	14,132,854
MN	4,768	579	3,460	798	1,308	2,762,569
OH	11,523	885	7,820	1,304	3,703	10,194,850
WI	5,452	918	3,530	1,418	1,922	5,003,833
REGIONAL TOTAL 05	52,765	951	32,680	1,535	20,085	50,164,716
AR	3,859	325	1,972	636	1,887	1,255,157
LA	653	2,802	471	3,885	182	1,829,712
NM	582	1,302	327	2,317	255	757,614
OK	1,386	791	941	1,164	445	1,095,677
TX	6,420	1,283	4,257	1,935	2,163	8,230,654
REGIONAL TOTAL 06	12,900	1,021	7,968	1,654	4,932	13,176,814
IA	3,230	529	2,421	705	809	1,707,114

(*) INDICATES MISSING DATA, PREVIOUS PERIOD DATA SUBSTITUTED

REPORT NO: OSR-III

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS
JTPA-DISLOCATED WORKERS FY83/84 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	TOTAL SERVED	COST PER SERVED	TOTAL TERMS	COST PER TERMINATIONS	CURRENT ENROLLMENT	TOTAL EXPENDITURES
KS	1.498	724	994	1,090	504	1,083,912
MO	6.650	451	5,739	523	911	3,002,009
NE	961	911	863	1,014	98	875,117
REGIONAL TOTAL 07	12,339	540	10,017	666	2,322	6,668,152
CO	578	1,076	248	2,509	330	622,117
MT	1,952	470	1,839	499	113	917,280
ND	182	1,197	133	1,638	49	217,873
SD	350	687	159	1,513	191	240,497
UT	1,581	856	906	1,494	675	1,353,400
WY	67	2,119	41	3,463	26	142,002
REGIONAL TOTAL 08	4.710	742	3,326	1,050	1,384	3,493,257
AZ	3,787	783	2,780	1,066	1,007	2,964,348
CA	8.835	1,723	5,980	2,546	2,855	15,223,142
HI	934	325	721	421	213	303,823

(*) INDICATES MISSING DATA, PREVIOUS PERIOD DATA SUBSTITUTED

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REPORT NO: OSR-XII

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS
JTPA-DISLOCATED WORKERS FY83/84 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	TOTAL SERVED	COST PER SERVED	TOTAL TERMS	COST PER TERMINATIONS	CURRENT ENROLLMENT	TOTAL EXPENDITURES
NV *	1,377	478	1,064	619	313	658,608
AS	0	1	0	1	4	0
GU *	0	1	0	1	0	0
CM	0	1	0	1	0	0
TT	0	1	0	1	0	0
REGIONAL TOTAL 09	14,933	1,282	10,548	1,816	4,389	19,149,921
AK	329	864	24	11,845	305	284,286
ID	635	1,197	453	1,678	182	760,261
OR	2,765	1,275	2,355	1,497	410	3,526,269
WA	6,946	622	5,048	856	1,898	4,322,446
REGIONAL TOTAL 10	10,675	833	7,880	1,129	2,795	8,893,261
NATIONAL TOTAL	177,691	895	113,636	1,399	64,055	158,965,430

(*) INDICATES MISSING DATA, PREVIOUS PERIOD DATA SUBSTITUTED

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REPORT NO: OSR-IX

QUARTERLY STATUS REPORT: IMPLEMENTATION PROGRESS
JTPA-DISLOCATED WORKERS FY83/84 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	OBLIGATIONAL AUTHORITY	DRAWDOWNS	% OF ALLOT	EXPENDITURES	% OF ALLOT	TOTAL SERVED	COST PER SERVED	CURRENT ENROLLED
CT	1,651,906			1,408,327	85.3	839	1,679	190
ME	1,980,467			568,881	28.7	576	988	161
MA	6,391,613			2,229,230	34.9	3,984	559	971
NH	1,050,868			331,352	31.5	412	804	97
RI	1,512,596			864,848	57.2	462	1,872	23
VT	281,550			212,954	75.6	170	1,253	49
REGIONAL TOTAL 01	12,868,960			5,614,592	43.6	6,443	871	1,491
NJ	9,452,477			4,173,665	44.2	9,358	446	4,513
NY	22,649,519			6,998,016	30.9	1,981	3,533	1,180
PR	5,899,579			2,532,468	42.9	700	3,618	203
VI *	305,146			78,476	25.7	43	1,825	24
REGIONAL TOTAL 02	38,306,721			13,782,625	36.0	12,082	1,141	5,920

(*) INDICATES MISSING DATA, PREVIOUS PERIOD DATA SUBSTITUTED
1/-BASED ON COST/UNIT SERVED OF $1,566
2/-BASED ON PROJECTED [illegible]

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REPORT NO: OAR-IX

QUARTERLY STATUS REPORT: IMPLEMENTATION PROGRESS
JTPA-DISLOCATED WORKERS FY83/84 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	OBLIGATIONAL AUTHORITY	DRAWDOWNS	% OF ALLOT	EXPENDITURES	% OF ALLOT	TOTAL SERVED	COST PER SERVED	CURRENT ENROLLED
DE	443,520			198,939	44.8	772	257	419
DC	1,197,459			588,044	49.1	685	830	8
MD	5,401,141			2,920,775	54.1	*3,730	783	963
PA	21,733,520			6,978,567	32.1	8,767	796	4,490
VA	4,110,830			2,650,907	64.5	7,082	374	1,232
WV	3,902,435			1,882,548	48.2	1,269	1,483	613
REGIONAL TOTAL 03	36,788,913			15,219,380	41.4	22,305	682	7,694
AL	8,530,242			4,670,862	54.7	3,001	1,556	937
FL	9,757,690			1,468,871	15.1	2,041	720	867
GA	5,019,446			2,246,094	44.7	975	2,304	311
KY	5,925,304			1,371,404	23.1	2,839	483	1,607
MS	2,654,428			2,156,702	81.2	2,908	742	789

(*) INDICATES MISSING DATA, PREVIOUS PERIOD DATA SUBSTITUTED
1/-BASED ON COST/UNIT SERVED OF $1,546
2/-BASED ON PROJECTED END-OF-YEAR CURRENT ENROLLMENT OF [illegible]

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QUARTERLY STATUS REPORT: IMPLEMENTATION PROGRESS
JTPA-DISLOCATED WORKERS FY83/84 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	OBLIGATIONAL AUTHORITY	DRAWDOWNS	% OF ALLOT	EXPENDITURES	% OF ALLOT	TOTAL SERVED	COST PER SERVED	CURRENT ENROLLED
NC	6,802,835			5,719,275	83.9	8,675	658	4,899
SC	5,550,010			3,024,011	54.5	5,825	519	2,710
TN	7,770,357			2,153,093	27.7	2,275	947	853
REGIONAL TOTAL 04	52,019,120			22,802,712	43.8	28,539	799	13,044
IL	19,194,562			11,766,359	61.3	14,789	796	7,730
IN	12,889,731			6,304,251	48.9	7,753	813	2,361
MI	25,378,889			14,132,854	55.7	8,480	1,667	3,073
MN	5,975,563			2,762,569	46.2	4,768	579	1,308
OH	23,870,307			10,194,050	42.7	11,523	885	3,703
WI	6,584,513			5,003,033	76.0	5,452	918	1,922
REGIONAL TOTAL 05	93,893,565			50,164,716	53.4	52,765	951	20,085
AR	3,180,414			1,255,157	39.5	3,859	325	1,887

(*) INDICATES MISSING DATA, PREVIOUS PERIOD DATA SUBSTITUTED
1/-BASED ON COST/UNIT SERVED OF $1,546
2/-BASED ON PROJECTED END-OF-YEAR CURRENT ENROLLMENT OF 48,700

REPORT NO: OSW-IX

QUARTERLY STATUS REPORT: IMPLEMENTATION PROGRESS
JTPA-DISLOCATED WORKERS FY83/84 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	OBLIGATIONAL AUTHORITY	DRAWDOWNS	% OF ALLOT	EXPENDITURES	% OF ALLOT	TOTAL SERVED	COST PER SERVED	CURRENT ENROLLED
LA	4,960,023			1,829,712	36.9	653	2,802	183
NM	2,423,121			757,614	31.3	582	1,302	255
OK	2,000,709			1,095,677	54.8	1,386	791	445
TX	16,045,584			8,230,654	51.3	6,420	1,283	3,163
REGIONAL TOTAL 06	28,610,051			13,176,814	46.1	12,900	1,021	4,932
IA	2,564,245			1,707,114	66.6	3,230	529	809
KS	2,892,075			1,083,912	37.5	1,498	724	506
MO	3,696,939			3,002,009	81.2	6,650	451	911
NE	943,309			875,117	92.8	961	911	98
REGIONAL TOTAL 07	10,096,568			6,668,152	66.0	12,339	540	2,322
CO	3,070,622			622,117	20.3	578	1,076	330
MT	1,674,676			917,200	54.8	1,952	470	113

(*) INDICATES MISSING DATA, PREVIOUS PERIOD DATA SUBSTITUTED
1/-BASED ON COST/UNIT SERVED OF $1,546
2/-BASED ON PROJECTED [illegible] CURRENT ENROLLMENT OF [illegible]

REPORT NO: OSR-IA

QUARTERLY STATUS REPORT: IMPLEMENTATION PROGRESS
JTPA-DISLOCATED WORKERS FY83/84 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	OBLIGATIONAL AUTHORITY	DRAWDOWNS	% OF ALLOT	EXPENDITURES	% OF ALLOT *	TOTAL SERVED	COST PER SERVED	CURRENT ENROLLED
ND	304,862			217,873	71.5	182	1,197	49
SD	370,918			240,497	64.8	350	687	191
UT	6,560,125			1,353,488	20.6	1,581	856	675
WY	303,460			142,002	46.8	67	2,119	26
REGIONAL TOTAL 08	12,284,663			3,491,257	28.4	4,710	742	1,384
AZ	3,933,559			2,964,348	75.4	3,787	783	1,007
CA	34,296,391			15,223,142	44.4	8,835	1,723	2,855
HI	526,758			303,823	57.7	934	325	213
NV *	1,208,237			658,608	54.5	1,377	478	313
AS	37,090			0	.0	0	1	0
GU *	620,692			0	.0	0	1	0
CM	15,769			0	.0	0	1	0

(*) INDICATES MISSING DATA, PREVIOUS PERIOD DATA SUBSTITUTED
1/-BASED ON COST/UNIT SERVED OF $1,546
2/-BASED ON PROJECTED END-OF-YEAR CURRENT ENROLLMENT OF 48,700

REPORT NO: OSP-II

QUARTERLY STATUS REPORT: IMPLEMENTATION PROGRESS
JTPA-DISLOCATED WORKERS FY83/84 GRANTS
7-01-84 THROUGH 6-30-85
TITLE III-COMBINED

	OBLIGATIONAL AUTHORITY	DRAWDOWNS	% OF ALLOT	EXPENDITURES	% OF ALLOT	TOTAL SERVED	COST PER SERVED	CURRENT ENROLLED
TT	163,979			0	.0	0	1	0
REGIONAL TOTAL 09	40,802,475			19,149,921	46.9	14,933	1,282	4,388
AK	1,061,075			284,286	26.8	329	864	305
ID	1,514,049			760,261	50.2	635	1,197	182
OR	6,845,291			3,526,268	51.5	2,765	1,275	410
WA	8,376,060			4,322,446	51.6	6,945	622	1,898
REGIONAL TOTAL 10	17,796,475			8,893,261	50.0	10,675	833	2,795
NATIONAL TOTAL	343,467,491	99,741,297	29.0	158,965,430	46.3	177,691	895	64,055

(*) INDICATES MISSING DATA, PREVIOUS PERIOD DATA SUBSTITUTED
1/-BASED ON COST/UNIT SERVED OF $3,546
2/-BASED ON PROJECTED END-OF-YEAR CURRENT ENROLLMENT OF 48,700

REPORT NO: QSR-VII

QUARTERLY STATUS REPORT: IMPLEMENTATION PROGRESS
JTPA-PROGRAMS FOR ADULTS AND YOUTH FY 1984 GRANTS
7-01-84 THROUGH 6-30-85
TITLE IIA

	OBLIGATIONAL AUTHORITY	DRAWDOWNS	% OF ALLOT	EXPENDITURES	% OF ALLOT	TOTAL SERVED	COST PER SERVED	CURRENT ENROLLED
DC	8,042,011			5,628,941	70.0	2,469	2,280	73
MD	33,537,029			19,540,644	58.3	17,590	1,111	3,802
PA	126,614,098			74,671,703	59.0	39,636	1,883	15,452
VA	39,143,029			25,718,040	65.7	17,507	1,469	14,263
WV	25,275,899			14,493,037	57.3	7,238	2,003	2,956
REGIONAL TOTAL 03	238,353,866			143,260,270	60.1	87,096	1,645	36,996
AL	56,756,123			37,106,037	65.4	24,198	1,533	5,106
FL	89,560,674			52,826,019	59.0	23,852	2,213	4,899
GA	49,939,803			26,526,270	53.1	17,721	1,497	4,736
KY	52,660,384			28,483,901	54.1	22,406	1,271	5,864
MS	32,055,302			20,023,602	62.5	17,939	1,116	3,677
NC	58,609,431			31,320,698	53.5	27,134	1,155	8,020
SC	36,741,969			24,076,597	65.5	20,396	1,180	7,745

(*) INDICATES MISSING DATA, PREVIOUS PERIOD DATA SUBSTITUTED
1/-BASED ON COST/UNIT SERVED OF $1,969
2/-BASED ON PROJECTED END-OF-YEAR CURRENT ENROLLMENT OF 361,700

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REPORT NO: OSR-VII

QUARTERLY STATUS REPORT: IMPLEMENTATION PROGRESS
JTPA-PROGRAMS FOR ADULTS AND YOUTH FY 1984 GRANTS
7-01-84 THROUGH 6-30-85
TITLE IIA

	OBLIGATIONAL AUTHORITY	DRAWDOWNS	% OF ALLOT	EXPENDITURES	% OF ALLOT	TOTAL SERVED	COST PER SERVED	CURRENT ENROLLED
TN	64,591,763			32,131,172	49.7	25,694	1,251	7,291
REGIONAL TOTAL 04	440,915,439			252,503,173	57.3	179,340	1,408	47,418
IL	131,706,714			70,397,197	53.4	49,707	1,416	19,683
IN	61,503,372			37,182,420	60.4	27,022	1,376	9,003
MI	133,972,089			78,094,008	58.3	52,246	1,495	16,336
MN	32,834,201			21,266,772	64.8	21,735	978	1,050
OH	136,595,310			75,297,948	55.1	54,964	1,370	18,587
WI	50,984,194			33,651,831	66.0	29,069	1,158	7,581
REGIONAL TOTAL 05	547,675,970			315,890,174	57.7	234,743	1,346	72,240
AR	23,108,418			13,466,302	58.3	19,148	703	4,009
LA	52,218,416			23,757,593	45.5	16,952	1,401	5,513
NM	13,943,920			9,278,381	66.5	6,015	1,543	1,880
OK	19,511,806			13,022,226	66.7	13,410	971	3,863

(*) INDICATES MISSING DATA, PREVIOUS PERIOD DATA SUBSTITUTED
1/-BASED ON COST/UNIT SERVED OF $1,969
2/-BASED ON PROJECTED END-OF-YEAR CURRENT ENROLLMENT OF 363,700

REPORT NO: QSR-VII

QUARTERLY STATUS REPORT: IMPLEMENTATION PROGRESS
JTPA-PROGRAMS FOR ADULTS AND YOUTH FY 1984 GRANTS
7-01-84 THROUGH 6-30-85
TITLE IIA

	OBLIGATIONAL AUTHORITY	DRAWDOWNS	% OF ALLOT	EXPENDITURES	% OF ALLOT	TOTAL SERVED	COST PER SERVED	CURRENT ENROLLED
TX	119,940,040			70,967,621	59.2	43,203	1,643	13,141
REGIONAL TOTAL 06	228,723,499			130,492,123	57.1	98,720	1,322	27,000
IA	27,650,229			15,730,346	56.9	11,328	1,388	3,995
KS	15,149,154			7,920,253	52.3	7,592	1,043	2,585
MO	44,106,009			26,231,089	59.5	19,268	1,362	4,132
NE	8,504,497			6,111,357	71.9	4,776	1,280	1,604
REGIONAL TOTAL 07	95,410,089			55,993,045	58.7	42,967	1,303	12,316
CO	23,249,538			14,337,840	61.7	12,937	1,108	3,450
MT	7,711,138			4,963,277	64.4	3,109	1,596	849
ND	6,076,765			3,757,433	61.8	2,458	1,529	832
SD	6,366,291			2,992,366	47.0	3,278	913	1,075
UT	10,757,778			7,222,506	67.1	6,307	1,145	1,773
WY	7,029,362			3,080,593	43.8	1,820	1,690	733

(*) INDICATES MISSING DATA, PREVIOUS PERIOD DATA SUBSTITUTED
1/-BASED ON COST/UNIT SERVED OF $1,969
2/-BASED ON PROJECTED END-OF-YEAR CURRENT ENROLLMENT OF 363,700

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REPORT NO: QSR-VII

QUARTERLY STATUS REPORT: IMPLEMENTATION PROGRESS
JTPA-PROGRAMS FOR ADULTS AND YOUTH FY 1984 GRANTS
7-01-84 THROUGH 6-30-85
TITLE IIA

	OBLIGATIONAL AUTHORITY	DRAWDOWNS	% OF ALLOT	EXPENDITURES	% OF ALLOT	TOTAL SERVED	COST PER SERVED	CURRENT ENROLLED
REGIONAL TOTAL 08	61,190,842			36,362,025	*59.4	29,917	1,215	8,723
AZ	29,367,168			17,125,820	58.3	10,316	1,660	3,227
CA	256,312,845			142,885,472	55.7	65,612	2,178	13,442
HI	7,280,149			5,577,023	*76.6	2,497	2,233	894
NV	8,837,307			6,098,083	69.0	2,919	2,089	651
AS	474,587			354,962	74.8	431	824	227
GU	2,381,886			894,353	37.5	863	1,036	252
CM	149,480			106,640	*71.3	102	1,046	49
TT	1,798,620			974,869	54.2	885	1,102	307
REGIONAL TOTAL 09	306,502,082			173,817,230	56.7	83,625	2,079	17,829
AK	6,206,432			3,400,479	54.8	1,704	1,996	316
ID	9,324,758			6,131,696	65.8	4,332	1,415	669
OR	30,329,967			18,243,360	60.1	13,567	1,345	2,629

(*) INDICATES MISSING DATA, PREVIOUS PERIOD DATA SUBSTITUTED
1/-BASED ON COST/UNIT SERVED OF $1,969
2/-BASED ON PROJECTED END-OF-YEAR CURRENT ENROLLMENT OF 363,700

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REPORT NO: QSR-VII

QUARTERLY STATUS REPORT: IMPLEMENTATION PROGRESS
JTPA-PROGRAMS FOR ADULTS AND YOUTH FY 1984 GRANTS
7-01-84 THROUGH 6-30-85
TITLE IIA

	OBLIGATIONAL AUTHORITY	DRAWDOWNS	% OF ALLOT	EXPENDITURES	% OF ALLOT	TOTAL SERVED	COST PER SERVED	CURRENT ENROLLED
WA	46,217,003			27,720,013	60.0	18,843	1,471	4,592
REGIONAL TOTAL 10	92,078,240			55,496,356	60.3	38,445	1,444	8,206
NATIONAL TOTAL	2,421,523,658	1,671,884,379	69.0	1,410,410,006	58.2	941,612	1,498	367,391

(*) INDICATES MISSING DATA, PREVIOUS PERIOD DATA SUBSTITUTED -
1/-BASED ON COST/UNIT SERVED OF $1,969
2/-BASED ON PROJECTED END-OF-YEAR CURRENT ENROLLMENT OF 363,700

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REPORT NO: 038-X

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS (PART I)
JTPA-PROGRAMS FOR ADULTS AND YOUTH PY 1984 GRANTS
7-01-84 THROUGH 6-30-85
TITLE IIA

	OBLIGATIONAL AUTHORITY	EXPENDITURES GOVERNORS 22%	% OF OBLIG	EXPENDITURES	% OF OBLIG	TRAINING EXPENDITURES	% OF TOTAL EXPEND	SUPPORT EXPENDITURES	% OF TOTAL EXPEND	ADMIN EXPENDITURES	% OF TOTAL EXPEND
CT	21,147,619	2,924,117	13.8	13,201,334	62.4	10,418,483	78.9	770,246	5.8	2,012,605	15.2
ME	9,076,069	1,588,521	17.5	6,375,201	70.2	4,715,510	74.0	554,736	8.7	1,104,955	17.3
MA	42,891,111	4,710,314	11.0	29,789,126	69.5	22,206,121	74.5	2,636,958	8.9	4,946,047	16.6
NH	7,623,939	655,855	8.6	3,012,185	39.5	2,178,887	72.3	186,695	6.2	646,603	21.5
RI	9,418,272	1,598,702	17.0	6,364,401	67.6	4,619,097	72.6	660,688	10.4	1,084,616	17.0
VT	6,159,673	619,676	10.1	3,319,731	53.9	2,387,936	71.9	354,557	10.7	577,238	17.4
REGIONAL TOTAL 01 II-A	96,316,683	12,103,265	12.6	62,061,980	64.4	46,526,034	75.0	5,163,882	8.3	10,372,064	16.7
NJ	64,293,748	4,246,222	6.6	41,552,592	64.6	31,292,390	75.3	3,983,129	9.6	6,277,073	15.1
NY	160,290,239	19,662,731	12.3	101,017,111	63.0	74,145,129	73.4	9,291,611	9.2	17,580,371	17.4
PR	87,180,849	4,962,815	5.7	40,461,569	46.3	22,761,498	56.3	10,126,607	25.0	7,573,464	18.7
VI	2,391,421	187,654	7.8	1,511,556	63.2	1,093,566	72.3	172,835	11.4	245,155	16.2
REGIONAL TOTAL 02 II-A	314,156,257	29,059,422	9.2	184,542,828	58.7	129,292,583	70.1	23,574,182	12.8	31,676,063	17.2
DC	5,741,400	794,217	13.8	3,217,017	56.0	2,756,211	85.7	13,184	.4	447,622	13.9

(*) INDICATES MISSING DATA.

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REPORT NO: USN-8

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS (PART I)
JTPA-PROGRAMS FOR ADULTS AND YOUTH PY 1984 GRANTS
7-01-84 THROUGH 6-30-85
TITLE IIA

	OBLIGATIONAL AUTHORITY	EXPENDITURES GOVERNORS 22%	% OF OBLIG	EXPENDITURES	% OF OBLIG	TRAINING EXPENDITURES	% OF TOTAL EXPEND	SUPPORT EXPENDITURES	% OF TOTAL EXPEND	ADMIN EXPENDITURES	% OF TOTAL EXPEND
DC	8,042,011	1,278,961	15.9	5,629,941	70.0	3,957,786	70.3	848,097	15.1	823,058	14.6
MD	33,537,029	4,228,516	12.6	19,540,666	58.3	14,478,345	74.1	1,520,300	7.8	3,542,019	18.1
PA	126,614,098	10,706,540	8.5	74,671,783	59.0	55,057,678	73.7	8,013,171	10.7	11,600,934	15.5
VA	39,143,029	4,707,181	12.0	25,716,048	65.7	19,774,526	76.9	2,495,585	9.7	3,445,937	13.4
WV	25,275,899	2,835,294	11.2	14,493,037	57.3	10,811,698	74.6	1,553,285	10.7	2,128,054	14.7
REGIONAL TOTAL 03 II-A	238,353,066	24,550,718	10.3	143,260,270	60.1	106,838,164	74.6	14,443,702	10.1	21,986,404	15.3
AL	56,756,123	7,642,179	13.5	37,106,037	65.4	25,041,475	67.5	7,266,181	19.6	4,798,381	12.9
FL	89,580,674	3,036,961	3.4	52,826,818	59.0	39,873,105	75.5	4,609,794	8.7	8,343,919	15.8
GA	49,939,803	4,523,582	9.1	26,526,270	53.1	18,834,388	71.0	3,524,558	13.3	4,167,324	15.7
KY	52,640,184	1,851,507	3.5	28,483,981	54.1	16,791,039	58.9	7,027,229	24.7	4,665,713	16.4
MS	32,055,302	4,099,711	12.8	20,023,603	62.5	16,177,195	80.8	1,405,733	7.0	2,440,674	12.2
NC	58,609,431	7,309,925	12.5	31,320,696	53.5	23,709,061	75.7	2,171,617	6.9	5,437,998	17.4
SC	36,741,949	3,591,711	9.8	24,076,597	65.5	16,567,717	68.8	4,283,650	17.8	3,225,230	13.4
TN	64,591,761	3,307,759	5.1	32,131,172	49.7	25,456,586	79.2	1,997,782	6.2	4,676,804	14.6

(*) INDICATES MISSING DATA.

REPORT NO: OSH-1

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS (PART I)
JTPA-PROGRAMS FOR ADULTS AND YOUTH PY 1984 GRANTS
7-01-84 THROUGH 6-30-85
TITLE IIA

	OBLIGATIONAL AUTHORITY	EXPENDITURES GOVERNORS 22%	% OF OBLIG	EXPENDITURES	% OF OBLIG	TRAINING EXPENDITURES	% OF TOTAL EXPEND	SUPPORT EXPENDITURES	% OF TOTAL EXPEND	ADMIN EXPENDITURES	% OF TOTAL EXPEND
REGIONAL TOTAL 04 II-A	440,915,429	35,379,335	8.0	252,503,173	57.3	182,450,568	72.3	32,286,564	12.8	37,766,041	15.0
IL	131,706,714	20,814,928	15.8	70,397,197	53.4	52,863,254	75.1	6,330,118	9.0	11,203,825	15.9
IN	61,503,372	6,650,964	10.8	37,102,420	60.4	28,614,411	77.1	3,180,858	8.6	5,307,151	14.3
MI	133,472,099	17,201,799	12.9	78,094,006	58.5	58,859,917	75.4	7,438,071	9.5	11,796,018	15.1
MN	32,834,281	4,418,023	13.5	21,266,772	64.8	15,320,561	72.0	3,088,341	14.5	2,857,870	13.4
OH	136,595,310	10,742,597	7.9	75,297,948	55.1	54,490,473	72.4	9,009,452	12.0	11,798,023	15.7
WI	50,984,194	8,042,292	15.8	33,651,831	66.0	26,398,488	78.4	2,953,980	8.8	4,299,363	12.8
REGIONAL TOTAL 05 II-A	547,095,970	67,870,603	12.4	315,810,174	57.7	236,547,104	74.9	32,000,820	10.1	47,262,250	15.0
AR	23,100,418	2,799,366	12.1	13,466,302	58.3	10,040,686	74.6	1,519,646	11.3	1,905,970	14.2
LA	52,210,416	5,764,512	11.0	23,757,593	45.5	15,967,717	67.2	3,756,150	15.8	4,033,718	17.0
NM	13,943,920	2,455,457	17.6	9,278,381	66.5	6,180,772	66.6	1,831,069	19.7	1,266,540	13.7
OK	19,511,806	3,014,649	15.5	13,022,226	66.7	10,038,831	77.1	1,422,583	10.9	1,560,812	12.0
TX	119,910,898	7,011,860	5.8	70,967,621	59.2	49,115,961	69.2	10,644,509	15.0	11,207,151	15.8

(*) INDICATES MISSING DATA.

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56-292 O - 86 - 5

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS (PART I)
JTPA-PROGRAMS FOR ADULTS AND YOUTH PY 1984 GRANTS
7-01-84 THROUGH 6-30-85
TITLE IIA

	OBLIGATIONAL AUTHORITY	EXPENDITURES GOVERNORS 22%	% OF OBLIG	EXPENDITURES	% OF OBLIG	TRAINING EXPENDITURES	% OF TOTAL EXPEND	SUPPORT EXPENDITURES	% OF TOTAL EXPEND	ADMIN EXPENDITURES	% OF TOTAL EXPEND
REGIONAL TOTAL 06 II-A	229,723,400	21,050,841	9.2	130,492,123	57.1	91,341,667	70.0	19,193,956	14.7	19,956,300	15.3
IA	27,650,229	3,166,937	11.5	15,720,346	56.9	11,063,701	70.4	2,430,743	15.4	2,227,902	14.2
KS	15,149,154	2,292,770	15.1	7,920,253	52.3	5,557,606	70.2	1,064,670	13.4	1,297,089	16.4
MO	44,106,009	5,897,557	13.4	26,231,089	59.5	20,471,173	78.0	2,115,416	8.1	3,645,300	13.9
NE	8,504,697	1,381,359	16.2	6,111,357	71.9	4,759,708	77.9	642,301	10.5	709,348	11.6
REGIONAL TOTAL 07 II-A	95,410,089	12,738,623	13.4	55,983,045	58.7	41,852,268	74.8	6,251,130	11.2	7,880,439	14.1
CO	23,249,534	2,650,213	11.4	14,337,846	61.7	10,575,259	73.8	1,527,327	10.7	2,235,262	15.6
MT	7,711,128	1,082,952	14.0	4,963,277	64.4	3,396,887	68.4	946,830	19.1	619,960	12.5
ND	6,076,745	725,050	11.9	3,757,033	61.8 *	3,068,414	81.7	146,816	3.9	542,181	14.4
SD	6,366,291	61,052	1.0	2,992,366	47.0	2,110,881	70.5	395,759	13.2	485,726	16.2
UT	10,757,778	1,204,447	11.2	7,222,508	67.1	5,641,306	78.1	630,219	8.7	950,983	13.2
WY	7,029,362	779,810	11.1	3,088,593	43.9	2,616,771	84.7	71,859	2.3	399,963	12.9
REGIONAL TOTAL 08 II-A	61,190,862	6,514,333	10.6	36,362,025	59.4	27,409,516	75.4	3,718,810	10.2	5,233,979	14.4

(*) INDICATES MISSING DATA.

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REPORT NO: USR-1

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS (PART I)
JTPA-PROGRAMS FOR ADULTS AND YOUTH PY 1984 GRANTS
7-01-84 THROUGH 6-30-85
TITLE IIA

	OBLIGATIONAL AUTHORITY	EXPENDITURES GOVERNORS 22%	% OF OBLIG	EXPENDITURES	% OF OBLIG	TRAINING EXPENDITURES	% OF TOTAL EXPEND	SUPPORT EXPENDITURES	% OF TOTAL EXPEND	ADMIN EXPENDITURES	% OF TOTAL EXPEND
AZ	29,287,168	3,711,201	12.7	17,125,820	58.5	12,541,156	73.2	1,740,059	10.2	2,842,606	16.6
CA	256,312,845	29,269,299	11.4	142,695,472	59.7	107,679,741	75.5	11,433,015	8.0	23,572,714	16.5
HI	7,280,149	548,721	7.5	5,577,021	76.6	4,263,761	76.5	455,654	8.2	857,626	15.4
NV	8,837,307	842,225	9.5	6,098,083	69.0	4,194,439	68.8	924,964	15.2	978,680	16.0
AS	474,507	0	.0	354,962	74.8	255,323	71.9	30,909	8.7	68,730	19.4
GU	2,381,406	34,663	1.5	894,353	37.5	519,734	58.1	115,741	12.9	258,878	28.9
CM	149,600	0	.0	106,648	71.3	75,071	70.4	15,955	15.0	15,622	14.6
TT	1,798,620	297,455	16.5	974,069	54.2	791,757	81.3	44,229	4.5	138,083	14.2
REGIONAL TOTAL 09 II-A	306,502,082	34,703,564	11.3	173,817,230	56.7	130,327,964	75.0	14,760,525	8.5	28,713,741	16.5
AK	6,206,432	489,395	7.9	3,400,479	54.8	2,693,609	79.2	120,928	3.6	585,902	17.2
ID	9,324,758	1,427,771	15.3	6,111,696	65.5	5,084,796	83.2	60,567	1.0	946,333	16.1
OR	30,329,967	3,110,692	10.1	18,243,168	60.1	15,219,574	83.4	754,969	4.1	2,268,822	12.4
WA	46,217,083	6,046,736	13.1	27,720,813	60.0	21,169,712	76.4	2,339,991	8.4	4,216,096	15.2

(*) INDICATES MISSING DATA.

REPORT NO: USR-I

QUARTERLY STATUS REPORT: PROGRAM ANALYSIS (PART I)
JTPA-PROGRAMS FOR ADULTS AND YOUTH PY 1984 GRANTS
7-01-84 THROUGH 6-30-85
TITLE IIA

	OBLIGATIONAL AUTHORITY	EXPENDITURES GOVERNORS 22%	% OF OBLIG	EXPENDITURES	% OF OBLIG	TRAINING EXPENDITURES	% OF TOTAL EXPEND	SUPPORT EXPENDITURES	% OF TOTAL EXPEND	ADMIN EXPENDITURES	% OF TOTAL EXPEND
REGIONAL TOTAL 10											
II-A	92,078,240	11,088,997	12.0	55,496,356	60.3	44,166,751	79.6	3,272,455	5.9	8,057,148	14.5
NATIONAL TOTAL											
II-A	2,421,521,650	255,061,704	10.5	1,410,418,084	58.2	1,036,749,841	73.5	154,665,734	11.0	219,002,439	15.5

(*) INDICATES MISSING DATA.

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Mr. NIELSON. Also, I share a concern of Iowa's that I think is justified. Apparently they have utilized their funds quite well, while other States have decided not to use them. Therefore, OMB is cutting back the whole program and thereby hurting the programs of States that are able to use it.

I don't think that is very logical or very fair. It may be that States like California have other resources and don't need all of their title III money. But the Midwestern States do have problems. They have used the funds correctly. Don't you think it should depend on how well each State has used its funds rather than have an across-the-board cutback based on the overall carry-over totals?

Mr. ROMERO. If Iowa continues and it does have a substantial problem, and if it continues to have a substantial problem, there is always the possibility of submitting proposals to the Secretary for the use of the discretionary funds.

Mr. NIELSON. I agree with that but the other point is, should the budget cutback be dependent on how it is used nationally or should it be based on what the different States are able to do?

Several people made the statement, Mr. Broich, Mr. Smith, Iowa should not be penalized for other States' inaction.

Mr. ROMERO. My own personal judgment is that the Secretary ought to have the flexibility to, and discretion to target the funds where the needs are.

Mr. NIELSON. I appreciate that point of view, because I think that is very important.

The last question: States are going to be penalized for carrying over money if they have a surplus. Don't you think this practice encourages the States to target and spend the title III money too quickly? Is there a possibility of a spend-or-lose-it problem? Is there not some way to evaluate how well they use it?

Mr. ROMERO. Exactly.

Mr. NIELSON. What you get for the dollar, rather than how much you spend. It would help Iowa, I think it should depend on what is accomplished, don't you?

Mr. ROMERO. Yes, indeed, sir. I might add that we encourage training and retraining for dislocated workers in general.

The record shows that the predominant service provided dislocated workers at this point in time is job search assistance as opposed to on-the-job training and classroom training, and part of the expenditure problem I think relates to that, relates to the low-cost services being provided dislocated workers in some States.

Mr. NIELSON. It has been estimated that only 4 to 5 percent of the people who might be eligible for JTPA actually receive help. For various reasons, they don't apply for it or they miss out because of a technicality.

If only 4 or 5 percent utilization is correct, how can you justify a 55 percent cut in the total program?

Mr. ROMERO. I can't answer that.

Mr. NIELSON. Is it because we have not sold the need to the administration or is it because the funds have not been spent wisely? Or is it because we don't think we need retraining or that the economy is strong enough now so that we don't need JTPA such as we did 2 years ago?

Mr. **Romero**. The answer we have provided in the past, and I will offer it again, is that it is our hope that improvement in the economy, growth in the economy will give rise to more jobs, which then will provide——

Mr. **Nielson**. So you will take category D?

Mr. **Romero**. That is right.

Mr. **Nielson**. We don't need it as much as we needed it in 1982. I think that is probably true, but I don't think that is true in the Midwest. I don't think that is true in the agriculture sector, which is the problem we are concerned about here.

I want to first of all congratulate Congressman Lightfoot again for suggesting we talk about it in an agriculture setting because I believe JTPA was not set up, in your own words, with that in mind.

Mr. **Romero**. Right.

Mr. **Nielson**. JTPA has shown flexibility. I would like to see it communicated to all the agricultural communities, that it is available, that you are a slow part of the economy and that this can help you to get back on your feet, and I would like to see you modify your regulations and maybe suggest changes in legislation to better target it to the agriculture worker.

Thank you very much.

Mr. **Frank**. Mr. Lightfoot has more questions, but briefly let me comment first.

Dr. Romero, I appreciate you have an official role here and I admire the care with which you respond to the questions. We understand your role here.

I will venture a suggestion as to why this has not been widely publicized and partly the gentleman from Utah brought us to that point, the administration is trying to cut back on these kinds of programs and the last thing they want is to make people who are not using the program aware of the program. They don't want to drum up the demand when they have every intention of cutting back the supply.

I think that is why we were not going to get from the administration the active kind of publicity.

I think one of the things we can do is to let our farmers know that this is available.

Mr. **Nielson**. I am not suggesting we hire people to go out and recruit. I am simply saying, make it generally available, make sure the States know that it is available.

Mr. **Frank**. I understand; yes.

Mr. **Nielson**. Let the States disseminate the existing program.

Mr. **Frank**. I understand. I don't think the administration is being forthcoming in letting the States know that this is available.

I am not saying you go out and do this. You pinpointed the problem. People are not aware that they are or would be eligible. We want to be careful not to stir up any false hopes.

The administration officials should be out to let the people know what is available.

Second, I think this has been a current theme in some of our discussions with the trade adjustment assistance as well, that it is said that a growing economy is very important and we ought to be working for that increase in GNP, but I think Dr. Romero accurately outlined this, what he conveyed was the administration's position that with the overall growth of the economy, many of these programs will not be necessary.

But overall growth, although a necessary condition for people to be reemployed, it is not by itself a sufficient condition. That is, if we have economic growth. Present circumstances show that to be not true.

If we have people coming into the job market but there is no industry coming in, you won't have job opportunities for the people. But simply creation of job opportunities, when we talk about people who are at the age of 50 and find they are out of business, they are feeling psychologically guilty about it—they shouldn't because it is not their fault—they have one set of skills and they don't know they are transferrable. They may not be automatically transferrable, but they may be with help.

This is a program that is useful, and it doesn't remove the need for this program to have just growth in the economy.

I have one question for Dr. Romero. We have been talking about the question of the ability to serve and appropriation levels. If the Gramm-Rudman proposal currently pending in Congress were to go through, what would the effect of that be on your service?

Mr. ROMERO. It would have some——

Mr. FRANK. Positive or negative? Use that. Up or down. We will use neutral terms.

Would you be able to help fewer or more people?

Mr. ROMERO. I would say fewer people.

Mr. FRANK. Thank you.

Mr. Lightfoot.

Mr. LIGHTFOOT. Just one question, Mr. Chairman, something that might possibly be of value to us out here. In other words, $15 million was set aside for copper and I think $5 million for the footware industry. Has the Secretary considered doing that for agriculture as an industry, and if not, why not?

Mr. ROMERO. As you know, we have a task force on plant closures, we have set aside discretionary account funds for steel, footware, et cetera.

And the subject Mr. Smith raised with respect to a task force is the first step in discussing that proposition and hopefully reaching agreement on whether or not such a step would be desirable in setting aside dollars.

But the answer is no, the Secretary has not identified funds specifically for dislocated farmers out of the discretionary account at this time.

Mr. LIGHTFOOT. Thank you, gentlemen, very much.

Mr. Chairman, I think we are into an area that is new to a great degree, for example, identifying who these people are. We do have a program that works, as our two witnesses testified this morning, and I know of an instance up in Mr. Woodward's district where there are 12 or 13 people working under the program and have become employed. Several have advanced and have moved to advisory positions within the company they are working for.

It is something I think we could use and use well in our part of the country. I would hope the fact that we are dealing with a new set of circumstances that it doesn't scare people off and they instead begin to move forward.

As both Mr. Frank and Mr. Nielson suggested, we have something that can help. It works, and like many of the programs that have been enacted, we would hope it is only temporary in nature so that we move to the point where in the future we don't need it.

That is why we are all here today anyway.

I appreciate your coming to Iowa to hold this hearing.

Mr. **Frank**. I want to thank the participants. It has been very useful.

I would reiterate the point Mr. Lightfoot began with, the record will remain open and if you have statements you can submit them to Mr. Lightfoot or Senator Harkins office, or any of the delegations from Iowa and we will receive the statements and you can in that way supplement the record.

My sense is, as I listen to this, is that this subcommittee will write a report based on the subject making specific suggestions of how we can further improve this program.

Thank you all very much.

The hearing is adjourned.

[Whereupon, at 12 noon, the subcommittee adjourned, to reconvene subject to the call of the Chair.]

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APPENDIX

MATERIAL SUBMITTED FOR THE RECORD

[illegible] CHAIRMAN
SANDER M. LEVIN MICHIGAN
MAJOR R. OWENS NEW YORK
TOM LANTOS CALIFORNIA
MATTHEW G. MARTINEZ CALIFORNIA

NINETY-NINTH CONGRESS
Congreſs of the United States
House of Repreſentatives
EMPLOYMENT AND HOUSING SUBCOMMITTEE
OF THE
COMMITTEE ON GOVERNMENT OPERATIONS
RAYBURN HOUSE OFFICE BUILDING, ROOM B-349-A
WASHINGTON, DC 20515

[illegible] IOWA
225-6751

October 21, 1985

Mr. Robert T. Jones
Acting Deputy Assistant Secretary
of Labor for Employment and Training
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210

Dear Mr. Jones:

On Friday morning, November 15, 1985, the Employment and Housing Subcommittee will hold a field hearing to examine "The Job Training Partnership Act and the Farmers." This hearing will take place at 9:30 a.m. at Iowa Western Community College in Council Bluffs, Iowa.

The Subcommittee requests that you or another responsible agency official appear before us at this hearing to explain the Labor Department's position concerning the Job Training Partnership Act and farmers. Please discuss how the Labor Department has responded to problems encountered by farm states in administering the JTPA to meet the needs of farmers. Please also comment on how the JTPA can be tailored, either administratively or legislatively, to better accommodate the needs of farmers.

While your written testimony may be of any length, please limit your oral presentation to a ten minute summary. 25 copies of your prepared statement should be received by the Subcommittee no later than noon, Tuesday, November 12.

In connection with this hearing, we ask that you supply the Subcommittee with the following information by Friday, November 8:

- Copies of any rules, policy guidelines, or interpretative memoranda prepared by the Labor Department relating to the applicability of Title III of the JTPA to farmers;

Mr. Robert T. Jones
Page 2

- A list showing each grant request made in FY 1985 and FY 1986 to date for discretionary JTPA Title III funds to be used for employment and training assistance for farmers; who made the request; the amount requested; and the amount granted by the Secretary;
- For FY 1985, a breakdown by industry or type of product showing how JTPA Title III discretionary funds for dislocated workers were distributed by the Secretary.

Should you have any questions, please contact Stuart Weisberg, the Subcommittee Staff Director, at 225-6751.

Thank you for your cooperation.

BARNEY FRANK
Chairman

U.S. Department of Labor

Assistant Secretary for
Employment and Training
Washington, D.C. 20210

NOV - 7 1985

The Honorable Barney Frank
Chairman
Subcommittee on Employment and Housing
Committee on Government Operations
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This is in response to your letter of October 21, requesting information on Title III of the JTPA in connection with the Subcommittee's upcoming field hearing on "The Job Training Partnership Act and the Farmers." The information requested is enclosed.

A word of clarification is needed regarding the time frames in the listings of Title III national reserve projects. In accordance with the requirements of the Act, all JTPA programs are now forward-funded with the funds provided in the annual appropriation becoming available the following July 1 on a program-year basis. Data on farm industry projects are provided from the inception of the program. The initial JTPA Program Year (PY) began July 1, 1984. Therefore, you will note the transition from fiscal to PY in that listing. The State of Iowa did not submit any proposals for Title III national reserve funds in PY 1984.

I hope that this information will be useful to you. Please let me know if I can be of further assistance.

Sincerely,

ROBERTS T. JONES
Acting Deputy Assistant
Secretary of Labor

Enclosures

U.S. DEPARTMENT OF LABOR Employment and Training Administration Washington, D.C. 20213	CLASSIFICATION JTPA CORRESPONDENCE SYMBOL TDC DATE April 26, 1985

TRAINING AND EMPLOYMENT INFORMATION NOTICE NO. 43-84

TO : ALL STATE JTPA LIAISONS

FROM : FRANK C. CASILLAS F. C. Casillas
Assistant Secretary of Labor

SUBJECT : Service to Workers Dislocated from Farms under Title III of the Job Training Partnership Act (JTPA)

1. Purpose. To clarify the policy of the Employment and Training Administration (ETA) regarding the provision of training and related services to workers dislocated from farms and other dislocated workers who have been dependent on the agricultural economy.

2. Background. Numerous inquiries have been received concerning the question of whether or not workers dislocated from farms are eligible to participate in dislocated worker programs under Title III of JTPA. Some States have made the determination that this is a proper interpretation of the Act, while others have not done so and some are unclear as to whether or not they have the authority to interpret the Act in this way.

Neither the Act nor its legislative history specifically address the inclusion of workers dislocated from farms under Title III of JTPA. Recently, however, there has been a certain amount of Congressional interest indicating a desire to include this group under the broad definition of "dislocated workers" found in the Act.

RESCISSIONS	EXPIRATION DATE June 30, 1986

DISTRIBUTION

3. Policy. ETA's policy is that States may interpret the statute, pursuant to the Governor/Secretary Agreement and 20 CFR 627.1, which states that ". . . guidelines, interpretations and definitions adopted by the Governor shall, to the extent that they are consistent with the Act and applicable rules and regulations, be accepted by the Secretary."

   Section 302(a) of JTPA authorizes States ". . . to establish procedures to identify substantial groups of eligible individuals . . . ." Three categories of groups are enumerated; the third of these focuses on persons who ". . . are long-term unemployed and have limited opportunities for employment or reemployment in the same or a similar occupation in the area in which such individuals reside . . . ." It is ETA's position that a State interpretation of these provisions to apply to workers dislocated from farms and others dependent on the agricultural economy would not be inconsistent with the Act and applicable rules and regulations.

4. Inquiries. Questions on this issue may be addressed to Robert N. Colombo at (202) 376-6093.

U.S. DEPARTMENT OF LABOR
Employment and Training Administration
Washington, D.C. 20213

CLASSIFICATION
JTPA
CORRESPONDENCE SYMBOL
TDC
DATE
July 8, 1985

TRAINING AND EMPLOYMENT INFORMATION NOTICE NO. 3-85

TO : ALL STATE JTPA LIAISONS AND STATE WAGNER-PEYSER ADMINISTERING AGENCIES

FROM :

ROBERTS T. JONES
Acting Deputy Assistant Secretary of Labor

SUBJECT : Application Procedures for Program Year 1985 Dislocated Worker Funds Reserved by the Secretary

1. Purpose. To transmit to State JTPA liaisons application procedures for Program Year 1985 dislocated worker projects to be supported with funds reserved pursuant to Section 301(a) of the Job Training Partnership Act (JTPA).

2. Reference. Training and Employment Information Notice (TEIN) No. 43-84.

3. Background. Funds available for Title III of JTPA for Program Year 1985 total $222.5 million. Of this amount, $167.25 million has been allotted by formula, as prescribed in Section 301(b) of the Act, and $55.25 million has been reserved to be used pursuant to Section 301(c) of the Act.

Pursuant to Section 301(c), the funds reserved by the Secretary must be used to serve individuals who are affected by mass layoffs, natural disasters, Federal Government actions, or who reside in areas of high unemployment or federally designated enterprise zones. Since these funds are appropriated under Title III of JTPA, the projects operated with these funds are subject to the provisions of Title III of the Act and Federal regulations promulgated under the Act.

Generally funds will be distributed as discussed in this TEIN. However, the Secretary reserves the right to distribute some of these funds taking into consideration special circumstances and unique needs that may arise throughout the course of the program year.

RESCISSIONS

EXPIRATION DATE
June 30, 1986

DISTRIBUTION

4. Application Procedures. To apply for Section 301(a) funds, applications for individual projects should follow guidelines contained in Attachment I. There is no requirement for matching these funds. States are encouraged to apply additional factors consistent with these application guidelines; e.g., conformity with the Governor's coordination criteria, documentation of fiscal responsibility, etc. Proposals should be carefully reviewed by the State prior to submittal to the Department of Labor, to ensure that the application guidelines have been met. Applications should be sent by certified mail, return receipt requested, to the address contained in Attachment I.

5. State Assurance. In the letter transmitting the proposal, the following paragraph should be included:

"If the proposed project is funded, any Title III funds awarded from funds reserved by the Secretary will be administered in general accordance with the proposal submitted and consistent with the letter signed by the Department of Labor Grant Officer accompanying the grant award."

Project proposals not accompanied by this required assurance will not be funded.

6. Other Information. Proposals will be accepted for the 1985 Program Year beginning with the date of publication of this Information Notice. The funds that have been reserved by the Secretary will be managed so as to maintain availability throughout the Program Year, thereby assuring the Secretary's ability to respond as contemplated in Section 301(c) of the Act.

The length of the proposals should be limited; a succinct proposal covering the pertinent areas in sufficient detail can be accomplished in 10 pages. Even the most complex and extensive program strategies should be presented in 20 pages or less.

The proposals should describe in some degree of detail the severity of need of a particular geographic location for the additional funds; specific clientele to be served, industries impacted and occupations lost, and the types of services to be provided, including the specific occupations for which training will be provided. Whenever possible, information on where jobs will be obtained should also be included. Projects should generally cover no more than 1 year, but may extend for a longer period of time if sufficient justification is provided. Proposals must also provide a budget prepared with some degree of detail, with line items grouped under the "Training," "Administration," and "Participant Support" cost categories.

All applications must be submitted by the State. Applications not developed directly by the State agency administering JTPA should be reviewed by the appropriate service delivery area administrative entity, Private Industry Council, and chief elected officials(s). When a multi-State project is proposed, one State must serve as the applicant; however, the Governors of each of the States to be involved in the project must provide endorsements to indicate review of the proposal.

7. Identification of Dislocated Workers. States are authorized to establish procedures to identify substantial groups of dislocated workers pursuant to Section 302 of the Act. TEIN No 43-84 clarified that workers dislocated from farms and other dislocated workers dependent on the agricultural economy may be eligible to participate in dislocated worker programs under Title III of JTPA.

In developing project applications, there should be coordination with the State employment security agency to insure that funds are not directed to the same applicant group(s) currently being served with Trade Adjustment Assistance (TAA) program funds unless there are unmet needs not being addressed through that funding source. If training, job search or relocation opportunities are available to the applicant group(s) under the TAA program, the circumstances for requesting JTPA funds for the same applicant group must be explained.

8. Proposal Review. Proposals will be reviewed and approved or rejected based upon the application of the selection criteria contained in Attachment III. Proposals will be considered on a timely basis, and a response may be expected within 60 days of the Department's receipt of the proposal. The review panel will meet no less frequently than once a month, and more frequently in cases of pressing need.

Generally, the Department will not be inclined to refund a proposal approved during a previous funding cycle. Additionally, projects previously funded by the State with formula-allotted monies will generally not receive favorable consideration.

9. Funding Mechanism. For Program Year 1985, the Department will issue a Notice of Obligation (NOO) to the State and an allotment supplement will be made to the State's Title III formula-allotted grant, pursuant to the Governor/Secretary Agreement. The proposal will not be considered as a work statement for the allotment of funds; rather, a letter containing the general specifications expected as a condition of the grant award will accompany the NOO, including the effective date for use of the funds. This letter and the State assurance discussed in Item #5 above will govern the operation of the project. This is the same procedure as was used for Program Year 1984 projects.

10. Project Oversight. The State will be responsible for monitoring each project to ensure its compliance with the Act and the regulations. As in the case of other compliance matters, the Department will review the State's administration of these monies.

11. Inquiries. Should you have any questions concerning these procedures, assistance may be obtained by calling Robert N. Colombo, Director, Office of Employment and Training Programs, at (202) 376-6093.

12. Attachments

I. Application Guidelines for JTPA Dislocated Worker Programs Supported by Funds Reserved by the Secretary

II. Selection Criteria for Dislocated Worker Programs Supported by Funds Reserved by the Secretary

Attachment I

APPLICATION GUIDELINES FOR JOB TRAINING PARTNERSHIP ACT (JTPA) DISLOCATED WORKER PROGRAMS SUPPORTED BY FUNDS RESERVED BY THE SECRETARY

Background and Purpose

Pursuant to Section 301(a), the Secretary of Labor may reserve up to 25 percent of the funds appropriated by Congress for dislocated worker programs authorized under Title III of JTPA. These funds are to be awarded to States to provide training, retraining, job search assistance, placement, relocation assistance and other aid to individuals affected by mass layoffs, natural disasters, Federal Government actions or who reside in areas of high unemployment or designated enterprise zones, in accordance with Section 301(c). These circumstances must be sufficiently severe so that (1) the needs cannot be met by other JTPA programs or other State and local programs, and (2) substantial numbers of individuals concentrated in a labor market area or industry are affected. In accordance with the Act and the regulations promulgated under the Act, the Secretary has established the following application procedures and selection criteria for Program Year 1985 Title III Dislocated Worker Programs to be supported with funds reserved by the Secretary pursuant to Section 301(a) of the Act. Generally funds will distributed in accordance with the following criteria. However, the Secretary reserves the right to distribute some of these funds taking into consideration special circumstances and unique needs that may arise throughout the course of the Program Year.

Application Procedures

To apply for JTPA Title III funds reserved by the Secretary, the State should submit applications, in triplicate, for individual projects to the U.S. Department of Labor at the following address:

Employment and Training Administration
Grant Officer
Dislocated Worker Program
Room 5002
601 D Street, N.W.
Washington, D.C. 20213

A copy of each application should be submitted at the same time to the appropriate regional office.

Applications sent to the Grant Officer should be sent by certified mail, return receipt requested. All applications, including those initiated by the proposed project operator and submitted through the State, should follow the guidelines contained in this announcement. All projects funded are subject to the provisions of the Act and the regulations.

In the letter transmitting the proposal, the following paragraph should be included:

"If the proposed project is funded, any Title III funds awarded from those reserved by the Secretary will be administered in general accordance with the proposal submitted and consistent with the letter signed by the Department of Labor Grant Officer accompanying the grant award."

No proposals will be considered for funding, if this paragraph is not provided.

Time Frames: Applications for funding may be submitted at any time beginning with the issuance of this document. The funds that have been reserved by the Secretary will be managed so as to maintain availability throughout the program year, thereby assuring the Secretary's ability to respond as contemplated in Section 301(c) of the Act.

Period of Performance: Applications should cover a period of time generally not to exceed 1 year. Applications for periods in excess of 1 year may be submitted with supporting information.

Application Components: Applications should, as applicable, address the points listed below.

1. Describe the need for funding the project and explain how this need was determined. The description should include (a) the unemployment rate for the area to be

served, (b) the unemployment rate for the State, (c) the number of individuals affected, (d) the occupations or industries affected, and (e) the number of eligible individuals to participate in the program. While each of these elements is important, specific emphasis should be placed on defining the need precisely; i.e., in terms of specific plants, occupations or geographic areas.

2. Explain why the need cannot be met by existing Federal, State and local resources, including the State's JTPA Title III formula-allotted funds and Trade Adjustment Assistance Program funds provided to the State employment security agency.

3. Discuss how the proposed project relates to overall activities planned in the State, and explain how the proposed project is related to formula-funded dislocated worker program activities.

4. Identify the occupations in which participants will be trained or retrained and provide the types and length of training for each occupation. Explain how

the potential for placements in those occupational areas was determined, including information regarding specific employers or industries that have demands for workers in those occupational areas.

5. Describe activities to be conducted, including:

    a. a description of the training activities and supportive services to be provided;

    b. a description of job search assistance, counseling, job development and placement services and how these services will be coordinated with training activities;

    c. the number of eligible participants to be served in each activity; and

    d. the costs associated with each of these activities.

Activities authorized are discussed in Title III of the Act and the regulations promulgated pursuant to the Act.

6. Describe the projected results expected from each of the activities to be conducted, including the estimated number of participants to be placed in unsubsidized employment, the cost per participant, the cost per placement, and the planned placement rate.

7. Provide a description of the fiscal and management capabilities of the entity that will administer the proposed project.

8. Provide a plan for coordination with appropriate private industry councils (PICs) and chief elected officials (CEOs), and describe linkages with other employment and training-related programs, with the employer community, and, where applicable, labor organizations. Applications not developed directly by the State agency administering JTPA should be reviewed by the appropriate service delivery area administrative entity, PIC, and CEOs.

9. Include a detailed budget, grouping line items under training, participant support and administration cost categories. In transmitting the proposal, the Governor

certifies that the proposed budget conforms to the cost classifications established by the State, and assumes liability for expenditures pursuant to the budget, if the grant is awarded, subject to the provisions of Section 164(e)(2) of the Act. Additionally, the Governor certifies that matching funds offered, if any, correspond to the definitions promulgated by the Governor pursuant to Section 629.40 of the JTPA regulations.

10. Provide the name, address and telephone number of the responsible State official to contact regarding the proposal. As appropriate, also provide this information for responsible local officials.

Attachment II

SELECTION CRITERIA FOR DISLOCATED WORKER PROGRAMS SUPPORTED BY FUNDS RESERVED BY THE SECRETARY

Dislocated worker program funds reserved by the Secretary pursuant to Section 301(a) of JTPA shall be used to serve individuals who are affected by mass layoffs, natural disasters, Federal Government actions or who reside in high unemployment areas or designated enterprise zones, in accordance with Section 301(c) of the Act. In addition to meeting these basic conditions, the applications will be reviewed and evaluated using the following factors:

1. Severity of the circumstances of need as described in the grant application (such as the number of individuals affected, the local and State unemployment rates compared to the national rate and the projected short- and long-term effect on unemployment).

2. Concentration of the eligible individuals in a particular occupation, plant, industry or geographic area.

3. Coordination and linkages with existing Federal, State or local programs, including the State's Title III formula-funded programs.

4. Services to be provided and service mix, to include specificity of occupations in which retraining will occur and, to the extent possible, evidence that demand for these retrained workers exists in the training locale.

5. Assurance of project operator's fiscal and program management capabilities to administer the programs.

6. Cost effectiveness of the plan, e.g., cost per participant, cost per placement, and cost per activity. Level of funding dedicated to client services as opposed to staff support and administration.

JTPA Title III National Reserve Projects
Farm Industry

8-Nov-1985
Page 1

[illegible]	STATE	LOCATION	INDUSTRY	AMOUNT AWARDED	NUMBER PARTICIPANTS
[illegible]	IL	Canton & Fulton County	Farm Equipment	$ 185,000	600
[illegible]	TX	Southern Texas	Farm, Retail & Real Estate	$ 1,200,000	1,073
[illegible]	TX	Cameron County	Auto, Farm & Retail	$ 1,100,000	570
[illegible]	TX	Hidalgo & Willacy Counties	Farm, Retail & Real Estate	$ 1,500,000	3,360
[illegible]	TX	Mid Rio Grande Area	Farm & Retail	$ 900,000	430
[illegible]	WI	Racine	Farm Equipment	$ 827,838	300
PY83	CA	Merced County	Farm, Food & Government	$ 500,000	210
PY83	KS	Southwestern Kansas	Farm, Farm Equipment, Gas & Oil	$ 455,998	300
PY84	IL/IA	Rock Island	Farm Machine (Internl Harvester)	$ 560,000	400
PY84	KS	SW Kansas	Farm, Oil & Health	$ 824,778	400
PY84	KY	Louisville	Tobacco, Appliance & Farm Machine	$ 305,429	1,500
PY84	MN	Statewide	Farm	$ 1,019,300	780
[illegible]	CA	Madera, Merced & Stanislas	Food & Farm	$ 0	80
[illegible]	IA	SDAs 3, 5, 10 & 14	Farm	$ 500,000	385
[illegible]	IA	Southwest IA	Farm	$ 0	0
[illegible]	IA	Central IA	Farm, Food (Meat Packing) & Tire	$ 0	0
[illegible]	IA	Statewide	Farm	$ 0	650
[illegible]	IA	Dubuque & Delaware Cos	Food (Meat Packing) & Ex-offenders	$ 0	30
[illegible]	IA	Waterloo & Black Hawk Co	Food (Meat Packing)	$ 0	223
[illegible]	IL	Statewide	Farm	$ 0	550
[illegible]	NE	Washington, Douglas & Sarpy	Farm, Government & Insurance	$ 0	200
[illegible]	NE	Statewide	Farm, Service & Manufacturing	$ 1,000,000	150
[illegible]	WA	Central Counties	Farm	$ 0	375
[illegible]	WI	Milwaukee County	Farm Equipment	$ 0	700

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YEAR	STATE	LOCATION	INDUSTRY	AMOUNT AWARDED	NUMBER PARTICIPANTS
PY84	AK	St Paul, Pribilof Islands	Fur Seal	$ 300,457	52
PY84	AL	Birmingham	Steel	$ 700,000	0
PY84	AR	Morrilton & Osceola	Textile & Paper	$ 885,040	870
PY84	AZ	Central & SE Arizona	Copper	$ 800,000	350
PY84	CA	LA & Orange Counties	Auto, Electronic & Health	$ 1,000,000	320
PY84	CO	Denver	Copper	$ 200,000	300
PY84	CO	Pueblo County	Steel	$ 400,000	200
PY84	DC	Washington	Not Specified	$ 188,472	0
PY84	GU	Guam	Government, Transportation & Oil	$ 188,720	440
PY84	ID	Panhandle & Shoshone County	Wood, Mining (Silver) & Electronic	$ 377,448	150
PY84	IL	Chicago	Steel	$ 1,000,000	285
PY84	IL	Cook County	Steel	$ 700,000	700
PY84	IL	Waukegan	Marine Engine	$ 525,000	440
PY84	IL	Statewide	Enterprise Zones	$ 850,000	473
PY84	IL/IA	Rock Island	Farm Machine (Internt'l Harvester)	$ 580,000	400
PY84	IL/IN	Chicago & East Chicago	Steel (Inland Steel Co)	$ 1,000,000	1,820
PY84	IN	Lake & Porter Counties	Steel	$ 700,000	1,140
PY84	IN	La Porte County	Auto	$ 1,000,000	800
PY84	KS	SW Kansas	Farm, Oil & Health	$ 824,778	400
PY84	KS	Wichita	Aerospace	$ 380,605	225
PY84	KY	Louisville	Tobacco, Appliance & Farm Machine	$ 805,429	1,500
PY84	KY	Statewide	Steel	$ 400,000	500
PY84	MA	N Berkshire County	Printing, Paper, Machine, Electronic	$ 1,000,000	1,170
PY84	MD	Anne Arundel Co & Baltimore	Copper	$ 200,000	150
PY84	MD	Baltimore County	Steel	$ 340,000	1,500
PY84	ME	Bangor	Footwear	$ 875,000	400
PY84	MI	Upper & NE Lower Peninsula	Mining(Copper, Iron Ore, Limestone)	$ 1,000,000	850
PY84	MI		Copper	$ 500,000	0
PY84	MI		Steel	$ 540,000	0
PY84	MN	NE Minnesota	Steel	$ 540,000	808
PY84	MN	Statewide	Farm	$ 1,019,600	780
PY84	MN	SW Minnesota	Glass & Food	$ 853,312	732
PY84	MT	Statewide	Copper	$ 500,000	210
PY84	MT	Butte & Silver Bow	Mining (Copper)	$ 127,203	80
PY84	NC	Statewide	Textile, Chemical & Fiberglass	$ 887,282	1,405
PY84	NH	Statewide	Footwear, Textile, Metal & Optical	$ 311,138	480
PY84	NJ	Middlesex County	Copper	$ 400,000	285
PY84	NJ	Mercer & Burlington Counties	Steel	$ 300,000	215
PY84	NM	Grant County	Copper	$ 800,000	300
PY84	NM	Cibola & McKinley Counties	Mining (Uranium)	$ 500,000	800
PY84	NV		Copper	$ 400,000	0
PY84	NY	Western New York	Auto, Steel, Food & Government	$ 4,274,307	1,829
PY84	NY	Statewide	Steel	$ 700,000	375
PY84	NY	Ulster County	Electronic	$ 286,330	400
PY84	OH	Marion County	Refrigeration & Air Conditioning	$ 1,400,000	800
PY84	OH	Eastern Ohio	Mining (Coal)	$ 875,000	800
PY84	OH	Northeast Ohio	Retail Food	$ 800,000	400
PY84	OH	Statewide	Steel	$ 700,000	612
PY84	OR	Statewide	Timber, Wood, Aluminium & Food	$ 1,443,849	615
PY84	OR	Eastern Oregon	Timber & Recreation	$ 500,000	150
PY84	PA	Northwest PA	Natural Disaster (Tornado)	$ 825,300	1,000
PY84	PA	Statewide	Steel	$ 700,000	2,409
PY84	PA	Allegheny County	Steel	$ 1,000,000	2,125

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PY84	RI	Cranston	Chemical	$ 842,800	270
PY84	SC	Ware Shoals	Textile	$ 954,450	813
PY84	SC	Statewide	Steel	$ 400,000	350
PY84	SC	Charleston	Electrical (Steam Generators)	$ 429,470	350
PY84	TN		Copper	$ 400,000	0
PY84	TX	El Paso & Alpine	Copper	$ 200,000	150
PY84	TX	Houston, N & NE Texas	Steel	$ 540,000	874
PY84	UT	Orangeville	Mining Disaster	$ 500,000	250
PY84	UT	Wasatch Front	Copper & Steel	$ 1,375,000	500
PY84	UT	Provo & Orem Area	Steel	$ 400,000	434
PY84	UT	Wasatch Front	Copper	$ 2,566,331	3,500
PY84	UT	Salt Lake County	Copper	$ 600,000	850
PY84	VA	Petersburg	Tobacco	$ 358,551	500
PY84	WA	Tacoma	Copper	$ 581,355	300
PY84	WA	Seattle	Steel	$ 400,000	250
PY84	WA	Tacoma	Copper	$ 400,000	300
PY84	WV	Kanawha County	Glass, Mining, Construction, Retail	$ 19,138	32
PY84	WV	Statewide	Steel	$ 400,000	800
PY85	AL	NE Alabama (Scottsboro)	Nuclear	$ 500,000	0
PY85	CA	Compton	Not Specified	$ 0	400
PY85	CA	LA County & Lennox Area	Electronic	$ 0	150
PY85	CA	LA County	Aerospace	$ 1,487,500	400
PY85	CA	LA, Orange & San Bernardino	Food (Restaurant)	$ 0	78
PY85	CA	Madera, Merced & Stanislaus	Food & Farm	$ 0	80
PY85	IA	SDAs 3, 5, 12 & 14	Farm	$ 500,000	305
PY85	IA	Waterloo & Black Hawk Co	Food (Meat Packing)	$ 0	223
PY85	IA	Southwest IA	Farm	$ 0	0
PY85	IA	Dubuque & Delaware Cos	Food (Meat Packing) & Ex-offenders	$ 0	30
PY85	IA	Statewide	Farm	$ 0	830
PY85	IA	Central IA	Farm, Food (Meat Packing) & Tire	$ 0	0
PY85	IL	Statewide	Farm	$ 0	800
PY85	IL	Springfield	Construction & Machine	$ 0	800
PY85	IL	Joliet	Heavy Machine	$ 515,550	300
PY85	IN	NE Indiana (Ft Wayne)	Electronic (GE)	$ 0	273
PY85	IN/MI	South Bend	Auto Parts (Allied-Bendix)	$ 1,200,000	1,088
PY85	MA	Quincy	Shipbuilding	$ 1,500,000	2,100
PY85	ME	Statewide	Footwear	$ 0	0
PY85	MI	Midland, Saginaw & Bay	Auto, Nuclear & Manufacturing	$ 437,284	210
PY85	MI	Detroit	Auto, Brewery & Food	$ 150,000	150
PY85	MI	Hillsdale	Auto	$ 118,415	80
PY85	MI	Wayne County	Steel, Construction & Manufacturing	$ 1,500,000	2,500
PY85	MI	SE Michigan	Not Specified	$ 0	0
PY85	MI	SW Michigan	Native Americans	$ 0	30
PY85	MI	Central Michigan	Not Specified	$ 0	200
PY85	MI	Pontiac	Auto	$ 0	108
PY85	MI	Cadillac & Manistee	Refrigeration & Manufacturing	$ 175,000	100
PY85	MI	Jackson, Hillsdale & Lenawee	Auto, Tire, Heavy Machine & Retail	$ 500,000	300
PY85	MI	Warren	Auto	$ 0	1,000
PY85	MI	Detroit	Not Specified	$ 0	20
PY85	MI	Multi-State (23 States)	Not Specified	$ 0	4,417
PY85	MN	International Falls	Wood, Timber, Mining (Taconite)	$ 372,129	893
PY85	MS	Harrison, Hancock & Jackson	Natural Disaster (Hurricane)	$ 1,000,000	800
PY85	MT	Statewide	Disabled Workers	$ 0	120

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YEAR	STATE	LOCATION	INDUSTRY	AMOUNT AWARDED	NUMBER PARTICIPANTS
PY85	NE	Omaha	Food, Electronics & Communications	$ 0	500
PY85	NE	Statewide	Farm, Service & Manufacturing	$ 1,000,000	150
PY85	NE	Washington, Douglas & Sarpy	Farm, Government & Insurance	$ 0	[illegible]
PY85	NY	Fulton, Montgomery & Schoharie	Computer,Toy,Food,Textile & Leather	$ 0	600
PY85	OH	Cleveland	Construction & Communication	$ 0	170
PY85	OH	Piketon (8 County Area)	Nuclear (Uranium Enrichment)	$ 500,000	475
PY85	OK	Miami Area	Tire (B.F. Goodrich)	$ 2,000,000	1,750
PY85	OR	Lane County	Wood, Textile & Quarry	$ 675,000	250
PY85	PA	Allentown	Steel, Truck, Tool & Textile	$ 0	1,250
PY85	TN	Statewide	Footwear, Auto & Textile	$ 0	0
PY85	TN	Statewide	Not Specified	$ 0	4,417
PY85	WA	Central Counties	Farm	$ 0	375
PY85	WI	Milwaukee	Metal & Machine	$ 0	400
PY85	WI	NW Wisconsin	Timber, Food, RR, Shipping, USAF	$ 327,845	152
PY85	WI	Milwaukee County	Farm Equipment	$ 0	700
PY85	WI	Kenosha	Auto	$ 1,286,467	1,000
PY85	WI	Milwaukee	Machine	$ 0	350
PY85	WV	South Charleston	Industrial Chemical	$ 0	200
PY85	ZZ	SECRETARY'S SPECIAL INITIATIVE	NONRUBBER FOOTWEAR	$ 5,000,000	0

Projects not specifying a location and with zero for the number of participants have not been approved to date.